



Daily Report

East Asia

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CONTENTS

26 February 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Hayashi Views G-7 Yen Accord Speculation [KYODO]	1
Finance Minister Leaves for London G-7 Meeting [KYODO]	1
Japanese Minister Mori Comments on U.S. Trade [KYODO]	1
'No Progress' in Aviation Talks With U.S. [KYODO]	1
Ministry Backs U.S. Plan for Bosnian Airdrops [KYODO]	1
Kono Supports Decision on Balkans War Crimes [KYODO]	2
Editorial Views Return of U.S. Okinawa Bases [RYUKYU SHIMPO 21 Feb]	2
U.S. Urged To Return Facility in Yomitan [RYUKYU SHIMPO 25 Feb]	3
New Negotiator Named for Talks With DPRK [KYODO]	4
Germany's Kohl Provided With Trade Report [KYODO]	4
German Chancellor Kohl Arrives for Visit [KYODO]	5
'Virtual Suspension' of Aid to Togo Announced [KYODO]	5
Miyazawa, Shiokawa Discuss Political Reform [Tokyo TV]	5
Opposition Parties Urge Takeshita To Quit Diet [KYODO]	6
Party Chief Tagawa Decides To Quit Politics [KYODO]	6
Kato Opposes Tax Cuts, Debt-Financing Bonds [KYODO]	6
Matsunaga Backs Economic Stimulus Package [KYODO]	7
Association: Export, Import Contracts Drop [KYODO]	7

North Korea

Reaction to IAEA Inspection Request Reported	7
DPRK Envoy: Deadline 'Not Just' [Seoul TV]	7
DPRK Delegate Addresses IAEA Meeting [Pyongyang Radio]	8
Spokesman: South 'Shock Force' in IAEA [KCNA]	8
'World Public': IAEA 'Unreasonable' [KCNA]	9
North-South Committee Chairmen Hold Conference [Pyongyang Radio]	9
KCNA Reports South's 24 Mar Military Activity	11
CIA Chief Cited on DPRK's Nuclear Program [KYODO]	11
Kim Il-song Greets Saharan Republic Leader [KCNA]	11
Peruvian Military Delegation Departs [KCNA]	11
Pak Song-chol Receives Rwandan Envoy's Credentials [KCNA]	11
Foreign Groups Celebrate Kim Chong-il's Birthday [KCNA]	11
Youths, Students Adopt Youth League Appeal [KCNA]	12
Daily Urges Party, Chuche Support [KCNA]	12
Kim Chong-il Thanks Scientists, Technicians [KCNA]	13
KCNA Reviews 26 Feb Pyongyang Press	13

South Korea

Reaction, Reportage on New Cabinet Appointments	14
Names, Titles of Officials Noted [Seoul TV]	14
Major Officials Profiled [YONHAP]	15
Appointments Show 'Reform-Oriented' Kim [YONHAP]	16
Businessmen: New Officials 'Capable' [YONHAP]	17
Reactions on Foreign Minister Mixed [YONHAP]	17
Kim Yong-sam's Policy Programs Summarized [THE KOREA TIMES 26 Feb]	17
Kim Yong-sam To Announce Economic Measures in Mar [KYONGHYANG SINMUN 26 Feb]	19
New Premier To Lead 'Reform Politics' Pursuit [YONHAP]	19

North Urged To 'Speedily Comply' With IAEA [YONHAP]	19
Unification Minister Discusses Summit Possibility [YONHAP]	20
Transfer of DPRK Official for ROK Affairs Discussed [CHUNGANG ILBO 25 Feb]	20
Foreign Minister Stresses DPRK, Japan Ties [YONHAP]	20
Bankers: U.S. Regulations 'Too Tough' [THE KOREA TIMES 26 Feb]	20
Steel Exporters' Lawyer Explains U.S. 'Mistake' [YONHAP]	21
ASEAN Becomes 3d Largest ROK Export Market [YONHAP]	22
Tobacco, Ginseng Firm Opens Branch in Hong Kong [YONHAP]	22
NSP Head Stresses Information Collection, Analysis [YONHAP]	22
* Murphy Delivers Kim Yong-sam Message to North [CHUNGANG ILBO 4 Jan]	22
* Official Questions Readiness for Unification [HANGUK ILBO 19 Jan]	24
* DPRK Economic Reformers Stage Comeback [CHUGAN MAEGYONG 6-13 Jan]	25

SOUTHEAST ASIA

Burma

Opposition Party Calls for 'Genuine Democracy' [AFP]	27
Workers, Technocrats Present Reports at Convention [Rangoon Radio]	27
National Unity Party Presents Report [Rangoon Radio]	28
SLORC Chairman Optimistic on Economic Growth [Rangoon TV]	29
Will Not Sacrifice Race, Culture [Rangoon TV]	29
Philippine Trade Delegation Visits [Rangoon Radio]	30
Calls on Industry-1 Minister [Rangoon Radio]	30
German Trade Group Meets Trade Minister [Rangoon Radio]	30
Meets Planning Minister [Rangoon Radio]	30
Discusses Investment [Rangoon Radio]	30

Brunei, Malaysia & Singapore

Malaysia

Tokyo, U.S. To Help With Ozone-Safe Substances [KYODO]	30
DPRK Trade Mission Urges Two-Way Trade [Kuala Lumpur International]	31

Singapore

German Chancellor Suggests Joint PRC Ventures [THE STRAITS TIMES 25 Feb]	31
Government Survey on Overseas Investments Released [THE STRAITS TIMES 24 Feb]	32
Strong 4th Quarter Pushes 1992 Growth to 5.8% [THE STRAITS TIMES 25 Feb]	32

Cambodia

Khmer Rouge Holds Up More UN Peacekeepers [AFP]	33
'Sources' Say French UN Official To Quit [AFP]	34
Vietnamese Troops Allegedly Sent to Koh Kong [Radio VGNUFC]	34
SRV 'Hit Squad' Said Operating in Northwest [AFP]	34
Phnom Penh Leaders 'Traitors', 'Lackeys' [Radio VGNUFC]	34
Khmer Rouge Attack District Police Station [Phnom Penh Radio]	35
Khieu Samphan Interviewed on Elections, UNTAC [Jakarta TEMPO 20 Feb]	35
Commentary Views UN Election Predictions [Radio VGNUFC]	36
DPRK Vice President Talks With Chea Sim [Phnom Penh Radio]	37
Meets Sihanouk [Phnom Penh Radio]	37
Sihanouk Receives Japanese Humanitarian Mission [Phnom Penh Radio]	37
Hor Namhong, UNICEF Executive Director Meet [Phnom Penh Radio]	38

Indonesia

Suharto, Kohl Discuss Human Rights [Hamburg DPA]	38
Kohl: Indonesia May Address G-7 Summit [Hamburg DPA]	38
Suharto, Kohl Sign Credit Agreement [Berlin TV]	39
Paper Discusses Spread of Private TV Stations [THE JAKARTA POST 17 Feb]	39

E. Timor Rebel Confirms Witnesses' Testimony [Jakarta Radio]	40
ZOPFAN Review Urged Due to PRC Moves [MERDEKA 17 Feb]	40
Road To Link Irian Jaya, Papua New Guinea [Jakarta Radio]	41
Paper Views Development of PNG Ties [SUARA PEMBARUAN 13 Feb]	41

Laos

Resolution of National Assembly Session Read [Vientiane Radio]	42
Saman Vi-gnaket Delivers House Closing Speech [Vientiane Radio]	43
Regulations Issued on Mourning for Sisomphon [Vientiane Radio]	44
Nouhak Phoumsavan Receives Letter From 'Arafat [KPL]	45
Leaders Receive Visiting UNICEF Director [KPL]	45
More Refugees Return From Thailand 19 Feb [KPL]	45

Philippines

Government To Conclude Trade Pact With Mexico [BUSINESS WORLD 25 Feb]	45
Editorial Notes U.S. Negotiator's Candor [MALAYA 26 Feb]	46
Government Supports Japan's UNSC Bid [BUSINESS WORLD 25 Feb]	47
Basilan State of Calamity Declared [Manila Radio]	48
Ramos Issues P1 Million in Aid [BUSINESS WORLD 22 Feb]	48

Thailand

MiG-29 Offer, Rice-for-Weapons Barter Rejected [BANGKOK POST 26 Feb]	48
Iran Agrees To Buy Rice; Russian Deal Settled [BANGKOK POST 26 Feb]	49
Commerce Minister Meets With U.S. Ambassador [Bangkok TV]	49
Official Suggests Ways To Combat 'Pirated Tapes' [THE NATION 26 Feb]	49
Registration of Cambodian Voters Reported [Radio VOFA]	50
Army To Purchase More Italian Spada Missiles [THE NATION 26 Feb]	50
Spokesman Defends Decision on Nobel Laureates [THE NATION 26 Feb]	51
AFTA Import Dispute With Malaysia Viewed [BANGKOK POST 26 Feb]	51
Minimum Wage Increase Stirs Debate [THE NATION 26 Feb]	52

Vietnam

Deputy Premier Receives UNDP Officials [Hanoi TV]	52
Attends Administration Reform Seminar [Hanoi Radio]	52
Amendments to Law on Criminal Procedures Published [NHAN DAN 4 Jan]	53
Amendments to Law on Criminal Code Published [NHAN DAN 4 Jan]	54
Corporation Projects Higher 1993 Rice Exports [Hanoi Radio]	57
Party General Secretary Receives PRC Envoy [VNA]	57
Le Duc Anh Congratulates ROK President [VNA]	58
Tuyen Quang Province Boosts Radio, TV Coverage [Hanoi Radio]	58
Vu Quang Attends Seminar on Youth-Related Work [Hanoi TV]	58

Japan

Hayashi Views G-7 Yen Accord Speculation

OW2602025393 Tokyo KYODO in English 0241 GMT
26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Finance Minister Yoshiro Hayashi on Friday shrugged off speculation that the Group of Seven (G-7) industrial nations may agree to push the yen higher at their economic policy-makers' meeting in London this weekend. "There will be no decision at the G-7 meeting. No country has an idea to guide an exchange rate higher artificially," Hayashi told a news conference.

Finance ministers and central bank governors from the G-7—Britain, Canada, France, Germany, Italy, Japan and the United States—are to get together in London for a one-day informal meeting Saturday. There has been persistent speculation that the G-7 meeting may issue a communique endorsing a stronger yen as a means to trim Japan's huge trade surplus.

Asked about aid to Russia, one of the topics expected to be high on the G-7 agenda, Hayashi said it is necessary to assist Russia in its switch to a market economy, but reiterated Tokyo's position that Japan cannot go ahead with large-scale aid to Russia unless the two countries resolve a territorial dispute.

"If more and large-scale economic aid to Russia comes into question, the long-standing issue between the two countries must be considered," Hayashi said. Japan has withheld large-scale financial assistance to Russia, insisting that Tokyo and Moscow must first resolve their dispute over Japan's demand for the return of four small islands off Hokkaido seized by Soviet troops at the end of World War II.

In remarks related to the G-7 meeting, a government source said he does not expect the G-7 ministers to discuss any plan to push the yen higher. "It might not be avoidable to see the yen move higher to some extent. But it's not good to guide it artificially. The G-7 ministers will not do so," the source said.

Finance Minister Leaves for London G-7 Meeting

OW2602122893 Tokyo KYODO in English 1134 GMT
26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Finance Minister Yoshiro Hayashi left Japan Friday to attend a meeting of finance ministers and central bankers of the Group of Seven (G-7) major industrial countries to be held Saturday in London. Hayashi is scheduled to return home Sunday evening.

Japanese Minister Mori Comments on U.S. Trade

OW2602034793 Tokyo KYODO in English 0316 GMT
26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Japanese Trade Minister Yoshiro Mori said Friday he hopes U.S. President Bill Clinton will express a commitment to economic growth and financial reconstruction in a speech to be delivered early Saturday (Japan time). Mori, head of the Ministry of International Trade and Industry (MITI), told a news conference he expects Clinton to make clear U.S. trade policy for the first time since he took office in January. He said Japan hopes the trade policy laid down in the speech will help reactivate U.S. economic activity, contributing to the further development of Japan-U.S. relations and the world economy.

[Tokyo KYODO in English at 0338 GMT on 26 February confirms that Finance Minister Yoshiro Hayashi will attend the G-7 summit in London on 27 February. KYODO adds at 0347 GMT that Bank of Japan Governor Yasushi Mieno has already departed Japan for London to attend the summit.]

'No Progress' in Aviation Talks With U.S.

OW2602060793 Tokyo KYODO in English 0552 GMT
26 Feb 93

[Text] Washington, Feb. 25 KYODO—Japan and the United States made no progress in aviation talks on Thursday on the contentious issue of a United Airlines Inc. (UAL) plan to route flights to Sydney via Tokyo, Japanese officials said. The high-ranking official meeting was held at the U.S. Department of State and attendants agreed to continue negotiations at a higher-level meeting next time.

UAL, which wants to route flights from New York to Sydney via Tokyo, had previously applied for permission through the Japanese foreign minister, but Japan rejected the proposal, saying it constitutes a new flight service and therefore UAL must apply to the Transport Ministry.

The U.S. side said at the meeting it might take retaliatory measures if the Japanese Government will not approve UAL's application. The two sides held negotiations in January but failed to reach an agreement. UAL maintains the plan is a mere extension of an existing New York-Tokyo route and has brought the issue to the U.S. Department of Transportation.

Ministry Backs U.S. Plan for Bosnian Airdrops

OW2602063793 Tokyo KYODO in English 0625 GMT
26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Japan supports the U.S. decision to undertake airdrops of humanitarian assistance over Bosnia-Herzegovina, a Foreign Ministry spokesman said Friday.

Spokesman Masamichi Hanabusa said in a statement that Japan supports the U.S. airdrop in coordination with the United Nations and aid organizations "from a humanitarian point of view." But he told reporters that "no idea exists right now" within the Japanese Government for Japan to contribute in some way to the effort. "We understand these airdrops are to be undertaken by American forces," the spokesman said. "This is not a question which has received attention in the Japanese Government."

Hanabusa appealed in his statement for all parties to the conflict in Bosnia-Herzegovina to extend their "full cooperation to ensure the safety of humanitarian assistance activities."

Kono Supports Decision on Balkans War Crimes

OW2602091193 Tokyo KYODO in English 0855 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Japan hopes the United Nations Security Council decision to prosecute war crimes committed in the former Yugoslavia sends a political message to the perpetrators, the top government spokesman said Friday. "Japan is extremely concerned about the crimes against humanity that are being repeated in Yugoslavia," Chief Cabinet [Secretary] Yohei Kono told a daily news conference.

"The United Nations Security Council regards the situation as a threat to international peace and stability, and established the international tribunal apparently to send a political message," Kono said. Japan, which occupies one of 10 rotating seats on the 15-nation council, approved the resolution, which will establish the first international war tribunal since the post-World War II Tokyo trial of Japanese civilian and military leaders and the Nuremberg trials of Nazi criminals.

The proposed UN tribunal will differ from the World War II trials in that it will be conducted by a body not directly involved in the conflict. The 1946 Tokyo trial and 1945 Nuremberg trial have been criticized as "victor's tribunals" because they were administered by the winners of war.

Kono declined to say whether Prime Minister Kiichi Miyazawa and German Prime Minister Helmut Kohl would take the opportunity at their summit meeting in Tokyo on Saturday to voice support for the war crimes court. Kono said he also did not know if the two leaders would discuss prospects for revising the 15-member Security Council, which is controlled by the five permanent members who were victors of World War II—the United States, Russia, China, France, and Britain.

On Thursday, apparently trying to avoid conjuring the image of a renewed alliance between the two vanquished nations of World War II, Miyazawa reportedly told German reporters Japan and Germany should not share a common strategy in their bid for seats on the Security Council.

Editorial Views Return of U.S. Okinawa Bases

OW2602044993 Naha RYUKYU SHIMPO in Japanese 21 Feb 93 Morning Edition p 5

[Editorial: "Realistic Return of Prefectural Land Demanded"]

[Text] The prefectural government has submitted a request to the central government that calls for a return of a large portion of prefectural land that is being used as U.S. military bases.

The prefectural government has been asking both the Japanese and U.S. Governments to return prefectural land. While previous requests were based on the prefectural government's fundamental stance on the land issue, which were general demands, the request submitted this time is not a comprehensive or general demand; it explains individual and concrete reasons for the demand.

It is the first request submitted that calls for a return of prefectural land by actually specifying the locations. It can be said that it is an unprecedented realistic demand for a return of lands; some people believe that there is a high possibility that these lands will be returned. Because of this, we hope that both the Japanese and the U.S. Governments will handle the request in a straightforward manner and study it in a positive manner.

The return and reductions of U.S. military bases and peaceful utilization of the base land are important political tasks of the Ota prefectural government. We can say that the recent request is one of concrete efforts aimed at fulfilling the tasks.

The prefectural government is calling for a return of 810 hectares of land that is used by 10 facilities at 13 locations. This is 91.3 percent of the total base land owned by the prefectural government and 3.2 percent of the land used as U.S. military bases on Okinawa.

The request explains that the prefecture wants the land to be returned because of the prefectural government's fundamental understanding that "the U.S. military facilities are preventing implementation of the land utilization plans and are major obstacles to regional development." At the same time, the report, among other things, also cites the following reasons for the return of lands: 1) The prefectural government has land utilization plans; 2) there is no problem in terms of management because the land is actually used for administrative purposes; 3) a return of prefectural land alone is possible; and 4) local people are demanding its return.

Base Land Utilization Plans Gradually Promoted

Of the 13 locations, land in nine places are administrative properties and are indeed used by the prefecture as dams, roads, or residential districts.

Land at the Northern Training Area and Camp Schwab are ordinary properties. In principle, the prefectural

government opposes the current practice of offering these lands to the U.S. military. An agreement has already been reached to return Naha naval port and Onna Communications Station.

Moreover, since it has a plan to use these lands, the prefectural government is insisting on their return.

The prefecture's 1993 budget bill was submitted to the prefectural assembly, which is now in session. One of the things attracting public attention in the bill is treatment of rent from leasing land on military bases.

Governor Ota's fundamental stance is against military bases. However, in the fiscal 1993 budget bill, he treats rent from leasing the administrative property as a "property revenue." This actually means that he acknowledges the U.S. military's use of the land. Regarding the ordinary properties [futsu zaisan], he disapproves of their use and treats them as "loss compensation" in the bill.

Perhaps the aim of this different treatment in the bill is to show that the Ota administration has a realistic and flexible stance regarding the base issue by accepting the rent from the administrative properties while showing a stance of reformist prefectural government by disapproving the revenue from the ordinary properties as rent.

It seems that the recent demand for a return of prefectural lands that are used as military bases is a realistic outcome of the Ota administration's "countermeasures based on ideal and reality" regarding the base issue.

In the request, the prefectural government is trying to show that it knows what the administrative realities are by intentionally excluding a call for a return of land at Kadena Air Base, which is unlikely to be returned, from a list of demands.

However, we believe that the prefectural government's demands are reasonable, realistic, and possible to realize. We hope that the U.S. side will show its understanding and cooperate with the prefectural government.

For the time being, the prefectural government, cities, towns, and villages are actively buckling down to the task of preparing plans for utilizing base land, because they expect that there is a possibility that reductions of U.S. military bases, which will be accompanied by a return of the military land, will be realized at a considerably high pace. Needless to say, they also hope that their plans will promote a return of the base lands.

It is also true that the demand for a return of base lands was an ideological matter called the "antiwar and peace" movement in the past. However, it has become a realistic issue with an awareness of economic merit. Because of this, the prefectural government called on the Council for Alternative Use of Base Land [Gunyoichi Tenyotaisaku Shingikai] late last month for advice on a fundamental plan for utilizing base lands.

Steady Movement Is Key to Settlement

Relevant cities, towns, and villages are preparing further concrete formulas by mapping out fundamental utilization plans for each base.

We believe that Okinawa will be more a comfortable place to live should these base land utilization plans be steadily implemented. For example, the plan to redevelop Naha's Ameku area and other plans promise us that utilization of base lands is linked to development of this prefecture.

However, although a return of military bases has become highly possible, reality does not allow us to be optimistic about the future. After all, the important thing is for the Okinawan side to make constant demands and to continue discussions with both the Japanese and U.S. Governments.

From this viewpoint, it is of great significance that the issue of reduction and integration of U.S. military bases on Okinawa was discussed at a 12 February meeting between Foreign Minister Watanabe and Defense Secretary Aspin. We feel that the Clinton administration has a thorough understanding of the "bases on Okinawa."

Such understanding includes a recognition that the bases on Okinawa are located in an important spot in terms of U.S. military development in the Asian-Pacific region. This is exactly what the report—which Powell, head of the Joint Chiefs of Staff, submitted to the defense secretary during Foreign Minister Watanabe's visit to the United States—stresses.

Therefore, the issue of base lands has become more realistic than when the United States and the Soviet Union were confronting each other. However, it is true that many racial disputes are happening in the world; that activities of the "UN forces" and "multinational forces," led mainly by the United States, are becoming active; and that the bases on Okinawa play an important role.

It is also true that concrete efforts, while realizing such a reality, for the return of U.S. bases on Okinawa have become more important than ever. On a basis of these understandings, we would like to carefully watch future developments regarding the call for a return of prefectural land at U.S. military bases.

U.S. Urged To Return Facility in Yomitan

*OW2602094393 Naha RYUKYU SHIMPO in Japanese
25 Feb 93 Morning Edition p 5*

[Editorial: "The U.S. Military Authorities Must Understand the Yomitan Plan"]

[Text] Yomitan Auxiliary Airfield, which the U.S. forces use for parachute training, is located on an elevation overlooking Kadena Air Base. Across these U.S. military facilities, Highway 58 runs along the east side of Yomitan Village. When we stand on the hill in the

vicinity of the airfield, we really feel that it would be much more convenient if there was a new highway connecting Highway 58 and the coastal areas of the village.

The U.S. forces seldom use the airfield except to conduct parachuting exercises. The worn-out runway and apron are left as they are, while a few farmers cultivate land around the retired facilities. This is a big waste of open space. Yomitan is a small village, and the U.S. facilities—Torii and the Sobe Communications Facility, as well as the airfield—are obstacles to efficient development of the village.

Yomitan village has recently worked out a "master plan to move the village office and community center" which aims to use the airfield upon its reversion. The village has reportedly started negotiations with the Naha Defense Facilities Administration Bureau and other authorities concerned.

It can be readily imagined that Yomitan Village will have to overcome many obstacles to realize the proposal. In particular, it will be very difficult to obtain approval from the U.S. authorities. We hope the prefectural government and the Japanese Government back the Yomitan proposal in a positive manner.

At the same time, the U.S. authorities are expected to accelerate a comprehensive review of the deployment of U.S. forces on Okinawa. They should know that it is not the time to maintain military facilities based on the philosophy of the cold war period.

On the subject of Yomitan Auxiliary Airfield, the Japan-U.S. Security Consultation Committee agreed at its 16th meeting on 8 July 1976 that the east side of the runway should be returned in exchange for alternative facilities. Japanese and U.S. officials have occasionally discussed moving to Kadena Ammunition Depot or Camp Hansen the exercises currently carried at the airfield, but such plans have been put off so far. We really want the Defense Facilities Administration Agency to work on the scaledown of U.S. bases with consistency and eagerness. Okinawans cannot stand the fact that the biggest obstacle to removal of U.S. bases is the Japanese Government.

According to the plans put forward by Yomitan village, the new village office would be constructed around the Heiwa-no-mori [Forest of Peace] Stadium adjoining Yomitan Auxiliary Airfield. The village intends to complete the design of the new village office within the fiscal year 1993, to start construction work next fiscal year, and to open the office in fiscal 1996. Yomitan Mayor Tokushin Yamauchi said: "The village office building, which was built shortly after the war, has become antiquated. It has also become too small to be of use to citizens because the village's population is much bigger than when it was built. We really have an urgent need to move the office, and we cannot postpone our plan to open the new office by 1996."

Buildings on U.S. bases are separated from each other by large open spaces; in local areas, however, even public facilities are packed into small residential districts. Japanese and U.S. officials must understand the local people's simple question: "Why are we kept away from our own land?"

Needless to say, we are supposed not to incline toward narrow-minded nationalism. However, Okinawa has not been free from the presence of foreign military forces throughout the last 21 years since reversion to Japan, or over the half century since the war. This is an extremely abnormal situation.

It is noteworthy that the Yomitan plan does not demand an immediate return of all U.S. military facilities in the village. Mayor Yamauchi keeps his unyielding demand realistic. The U.S. authorities must make a sincere reply to his request.

New Negotiator Named for Talks With DPRK

OW2602002993 Tokyo KYODO in English 2358 GMT 25 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Japan has named Tetsuya Endo as top negotiator in normalization talks with North Korea to replace veteran diplomat Noboru Nakahira who was named ambassador to Canada, the Foreign Ministry said Friday. The government endorsed the appointments in a morning cabinet meeting Friday, the ministry said.

Nakahira, 63, who was a diplomat in Canada in his early years in the foreign service, will be replacing Michio Misoguchi. The Ambassador-designate has served as Japan's ambassador to Malaysia.

Endo, 58, has been in charge of the conference on aid to the former Soviet Union since May 1992.

Normalization talks between Japan and North Korea started in 1991 but fell apart last November over Japanese allegations that a Japanese woman was kidnapped and forced to train terrorists in North Korea.

Germany's Kohl Provided With Trade Report

OW2602061593 Tokyo KYODO in English 0533 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—The German Chamber of Industry and Trade in Tokyo has provided Chancellor Helmut Kohl, who arrives in Japan on Saturday [27 February], with a report highlighting investment obstacles and discrimination in Japanese trade practices, a chamber spokesman said Friday.

The report, a copy of which was made available to KYODO News Service, complains that mergers and acquisitions are much more difficult in Japan than in other industrialized countries and require a "long presence in the market." It acknowledges, however, that "with a few exceptions" investment is not restricted in

Japan, and attributes the problems to the Japanese Government's lack of "psychological guidance" in liberalizing administration and business at all levels.

In addition, the report targets Japan's closely interwoven company conglomerates, known as "keiretsu," as "obstructing activities of foreign companies and distorting competition." Foreign companies are barred from the Japanese market for household appliances, as numerous retailers of electronic appliances are linked to manufacturers, the report says. It says "keiretsu" likewise obstructs market access for foreign producers in the fields of capital goods, components and chemicals.

The chamber acknowledged that the bidding process in Japan has become a little easier, but complains that foreign companies must register with Japanese authorities before projects can be put out to tender. Deadlines for bids are too short and foreign companies are only rarely invited to tender bids for projects by prefectures and municipalities, the report said.

The chamber also slams Japan's promise to double car imports from the United States.

"We should point out to the Japanese authorities that we can clearly observe whether single trade partners are preferred," the report said, warning of discriminatory practices.

German Chancellor Kohl Arrives for Visit

OW2602103993 Tokyo KYODO in English 1022 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—German Chancellor Helmut Kohl arrived here Friday for a four-day visit on the fourth leg of a five-nation Asian swing. Kohl, who last visited Japan during the 1986 Tokyo summit of the Group of Seven (G-7) major industrialized nations, will meet with Prime Minister Kiichi Miyazawa on Saturday.

The meeting is expected to cover a broad array of issues, including the July Tokyo G-7 summit, aid for Russia and Eastern Europe and the slumping world economy. Kohl is also scheduled to hold talks with MITI Minister Yoshiro Mori and meet with representatives of the Federation of Economic Organizations (Keidanren) on Monday.

The German chancellor is accompanied by a large delegation of representatives of major German enterprises.

'Virtual Suspension' of Aid to Togo Announced

OW2602003093 Tokyo KYODO in English 2345 GMT 25 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Japan on Friday practically suspended its aid to Togo due to the prolonged deterioration of the political situation in the country. The cabinet decided to forgo implementation of an Official Development Assistance (ODA) grant, pledged

in 1991, for up to 300 million yen to improve Togo's shaky economic structure, Foreign Ministry officials said.

Officials said the decision was taken because of the worsening situation in Togo and the dim prospects that things will improve in the foreseeable future. France, Togo's largest benefactor, as well as the United States, announced earlier this month a suspension of all but humanitarian aid.

Japan, Togo's fourth largest aid donor in 1990, has yet to follow suit, at least explicitly. But one official described the cabinet decision as a "virtual suspension", despite another grant pledge in the pipeline yet to be acted upon.

In 1991, Togo's military leadership was forced by a wave of riots and strikes to lift a 23-year ban on political opposition and install a transitional government. But multiparty elections have been repeatedly delayed. On February 6, 20 civilians and a policeman were reportedly killed in a rampage in the capital of Lome by soldiers avenging the death of a comrade. A general strike has been continuing there for three months.

Miyazawa, Shiokawa Discuss Political Reform

OW2602094593 Tokyo NHK General Television Network in Japanese 1000 GMT 24 Feb 93

[From "NHK News" program]

[Text] Prime Minister Kiichi Miyazawa has agreed with leading Liberal Democratic Party (LDP) members to address political reform as the most urgent issue to be handled after the enactment of the fiscal 1993 budget. The agreement was reached today [24 February] when the prime minister met with Masajuro Shiokawa, acting chairman of the LDP Political Reform Promotion Headquarters, and other task force members.

Mr. Shiokawa and Vice Chairman Keizo Obuchi explained to the prime minister this afternoon what progress the task force had made in its work on political reform-related bills. The bills, which include the introduction of a simple single-seat constituency system in the lower house, will be submitted to the current regular session of the Diet.

In the meeting with the prime minister, Mr. Shiokawa said that the government and the LDP should seek the opposition's understanding of the reform bills before they are submitted to the Diet. Prime Minister Miyazawa accepted in principle the way the political reform headquarters has been handling the bills. He also promised that he will show up at a joint meeting of the political reform task force and the LDP Election System Research Council tomorrow to call for party members' understanding of the urgent need for political reform. He added that he will try his best to hammer out consensus on the political reform bills.

Meanwhile, younger LDP Dietmen also met today on the eve of the general assembly of the political reform task force. At the meeting, younger lawmakers criticized party executives' indifferent attitudes toward political reform. Participants at today's meeting agreed that the task force should work out details of the political reform bills as soon as possible, even before the original deadline of April.

Opposition Parties Urge Takeshita To Quit Diet

*OW2602055193 Tokyo KYODO in English 0513 GMT
26 Feb 93*

[Text] Tokyo, Feb. 26 KYODO—Three opposition parties submitted a resolution Friday urging former Prime Minister Noboru Takeshita to quit the Diet to take blame for his alleged ties to a gang boss in his rise to power in 1987.

The Social Democratic Party [of Japan—SDPJ] (SDP), Komeito, and the Democratic Socialist Party (DSP) submitted the resolution to House of Representatives Chairman Yoshio Sakuruchi in the second such attempt to force Takeshita's resignation, opposition party officials said. The three parties submitted a similar resolution last December, but failed to muster sufficient support due to strong objection from the ruling Liberal Democratic Party (LDP).

The resolution urged Takeshita to step down, saying it is an "objective fact" that he "approved of the involvement" of Susumu Ishii, the late leader of the Inagawa-kai crime syndicate, in pressuring a rightist group to halt its smear campaign against Takeshita. The Nihon Kominto rightist group, armed with loudspeaker-equipped trucks, had been waging a harassment campaign against Takeshita in 1987, when he was vying with two other LDP faction leaders for the LDP presidency, which carries with it the premiership.

During sworn testimony before the Diet, Takeshita has repeatedly denied that he had advance knowledge of Ishii's intervention in persuading the group to give up the campaign.

"It is an objective fact that Mr. Noboru Takeshita approved of the involvement of the crime syndicate and others in the process of the LDP presidential election, even if he had not committed any wrongdoings and been aware of (their involvement) when he assumed the presidency," the resolution said. It also said no politicians "should allow a crime syndicate to involve itself in the political process" since Japan is "a nation governed by laws."

The resolution also demanded Takeshita's ouster because of allegations that he accepted cash from an ailing bank in 1985, which allegedly asked then-Finance Minister Takeshita to wield his influence to help the bank avoid being absorbed by Sumitomo Bank. The consequences of Takeshita's alleged actions as finance

minister are "too serious" and are "aggravating public distrust in politics," the resolution said.

SDP Diet Affairs Committee Chairman Tomiichi Murayama told a news conference the party will urge the LDP to agree to the introduction of the resolution for deliberation at a plenary session of the lower chamber. But LDP sources said they would try to kill the resolution before it is sent to the parliamentary floor, saying, "there are no clear reasons" that would justify the opposition's move to demand Takeshita's ouster.

Murayama vowed that the party will block the LDP from scrapping the resolution in the five-month regular Diet session which is scheduled to last until June 20. The current session opened on January 22. "This time, we have a lengthy parliamentary period for deliberations" unlike last year's extraordinary parliamentary session in which a similar move was aborted.

Party Chief Tagawa Decides To Quit Politics

*OW2602092393 Tokyo KYODO in English 0815 GMT
26 Feb 93*

[Text] Tokyo, Feb. 26 KYODO—Seiichi Tagawa, leader of the Progressive Party, a small opposition party, has decided to quit politics and will not contest the next general election, sources close to Tagawa said Friday. Tagawa, 74, was one of a group of Liberal Democratic Party (LDP) members who quit the ruling party in 1976 after the Lockheed scandal and formed the New Liberal Club to fight for cleaner politics.

The New Liberal Club, led by current Chief Cabinet Secretary Yohei Kono, won 18 seats in the House of Representatives election later that year.

Former Labor Minister Toshio Yamaguchi and former Education Minister Takeo Nishioka also took part in forming the breakaway party.

Tagawa was named home affairs minister in 1983 by then Prime Minister Yasuhiro Nakasone. At that time, the LDP joined hands with the New Liberal Club in the Diet to secure a majority in the powerful lower chamber.

The New Liberal Club, however, disbanded in 1986 and most of its members, including Kono, Yamaguchi and Nishioka, returned to the LDP. Tagawa, who refused to join the LDP again, set up the Progressive Party in 1987.

Tagawa was elected to the lower house 11 times from the No. 2 electoral district in Kanagawa Prefecture. The outgoing leader is the Progressive Party's only lower house member.

Kato Opposes Tax Cuts, Debt-Financing Bonds

*OW2602054993 Tokyo KYODO in English 0502 GMT
26 Feb 93*

[Text] Tokyo, Feb. 26 KYODO—Hiroshi Kato, head of a government advisory panel on tax reforms, told the Diet on Friday that proposed income tax cuts are not an

effective means of helping the domestic economy recover. Kato, chairman of the government's Tax System Council, however, told the House of Representatives Budget Committee that comprehensive reforms of the system under study by his panel cover income tax cuts in a long perspective.

"Income tax cuts are not effective and are inadequate means of stimulating the economy," he said. "It is totally out of the question to issue debt-financing national bonds to generate funds for income tax cuts," he said.

Matsunaga Backs Economic Stimulus Package

*OW2602063093 Tokyo KYODO in English 0538 GMT
26 Feb 93*

[Text] Tokyo, Feb. 26 KYODO—Nobuo Matsunaga, government representative for foreign affairs, proposed Friday that Japan develop a new economic stimulus package and an external surplus recycling program ahead of Prime Minister Kiichi Miyazawa's projected trip to the United States in April. Matsunaga, a former ambassador to Washington, made the remarks in a meeting with Seiroku Kajiyama, secretary general of the governing Liberal Democratic Party (LDP), at the Diet building, officials said.

In a related development, Miyazawa told reporters that economic recovery is his top priority.

Matsunaga stirred a controversy earlier this week when he called on the Japanese Government to accept a proposal to replace its ban on rice imports with tariffs for a successful conclusion of the Uruguay Round of multi-lateral trade talks. The rice issue is sensitive for many Japanese legislators who rely for much of their support on rice growers.

In his talks with Kajiyama on Friday, Matsunaga said the new economic stimulus package should include measures to open Japan's markets wider to imports and expand domestic demand. Additionally, the officials said, the government representative proposed a program to recycle Japan's large external surplus. Matsunaga went on to cite environmental protection as an area where Japan and the U.S. can work together, the officials said.

At a luncheon meeting at the Japan National Press Club on Monday, Matsunaga said, "There is indeed a perception in the United States and in Europe that Tokyo's opening of its rice market symbolizes an open Japanese market."

Association: Export, Import Contracts Drop

*OW2602081893 Tokyo KYODO in English 0654 GMT
26 Feb 93*

[Text] Tokyo, Feb. 26 KYODO—Export contracts signed by 19 major Japanese trading houses in January declined 14.6 percent from a year earlier to 935.3 billion yen, while import contracts dropped 7.3 percent to 978.4 billion yen, an industry association said Friday.

The Japan Foreign Trade Council said in its monthly report that export contracts in machinery, automobile and steel sectors declined to pull down overall export contracts in the month. However, plant exports, including a liquefied natural gas (LNG) plant for Africa, grew 2.1 times from a year earlier.

The monthly report on export and import contracts is considered an early indicator of the nation's trade balance since the 19 companies surveyed handle nearly half of overall merchandise trade.

By product, export contracts for textiles declined 22.3 percent from a year earlier and those for ships fell a hefty 69.0 percent, while orders for plant equipment jumped 111.2 percent. Contracts for steels declined 9.1 percent, and chemicals 9.9 percent. Export contracts for foods remained unchanged from the same month in the previous year.

By region, export contracts declined for the United States by 21.8 percent, for the Middle East 50.4 percent and for West Europe 0.8 percent. However, export contracts for Oceania and South Africa advanced 7.5 percent.

Import contracts signed in January declined for the 19th consecutive month, the council said. Imports from Africa grew 14.5 percent and from Latin America 70.5 percent. However, import contracts with most other areas declined.

Import contracts decreased in most sectors from a year earlier, with food dropping 16.2 percent and textiles dropping 14.1 percent. However, import contracts for machinery gained 40.3 percent.

North Korea

Reaction to IAEA Inspection Request Reported

DPRK Envoy: Deadline 'Not Just'

*SK2502231393 Seoul KBS-1 Radio Network in Korean
2200 GMT 25 Feb 93*

[Report by correspondent Cha Man-sun from Vienna]

[Text] The Board of Governors of the International Atomic Energy Agency [IAEA] urged that North Korea immediately accept the special nuclear inspection.

The IAEA Board of Governors meeting accepted a resolution that, unless North Korea shows a positive response to the resolution by 25 March, the IAEA board of governors will refer the North Korean nuclear issue to the UN Security Council.

This morning, Korean time, the IAEA Board of Governors meeting—at which 24 countries, such as the ROK,

the United States, Japan, Russia, and others participated—accepted the resolution draft that urges North Korea to accept the special nuclear inspection, without revision and vote.

In this regard, Kim Ki-hwan, North Korea's ambassador, claimed that accepting the resolution is not just. He said that to defend North Korea's condition and interests a self-defensive measure should be taken. He refused to accept the resolution.

The resolution stipulates that if North Korea refuses to accept the resolution, a special board of governors meeting should discuss additional sanction measures. Thus, if North Korea does not show a positive response within a month, the North Korean nuclear issue is expected to be referred to the UN Security Council.

DPRK Delegate Addresses IAEA Meeting

*SK2502130093 Pyongyang Korean Central
Broadcasting Network in Korean 1210 GMT 25 Feb 93*

[Text] The head of the DPRK delegation delivered a speech to the International Atomic Energy Agency's [IAEA] February Board of Governors meeting on 23 February.

He noted that in speeches by various governors, many member countries paid particular attention to the explanation on the disagreement between our initial report and the results of the IAEA's inspections. He stressed: The only way to explain this disagreement is to hold dialogue and negotiations, and this also depends on the will and position of the agency's Secretariat.

Recalling that we had distributed necessary scientific and technological data to the governors, he said that our experts are willing to give scientific explanations on the disagreement if the governors want.

He pointed out that despite our position to explain the disagreement scientifically and technologically and our sincere efforts toward that end, some governors and some officials of the agency's Secretariat had continuously heightened suspicions of our peaceful nuclear activities. He added: Some of the agency's Secretariat are trying to enforce special inspections [tukpyolsachal] on us by using strong-arm measures and pressure. This is clearly proven by the fact that they tried to convene a special Board of Governors meeting unprecedented in the agency's history, presented a separate agenda item on our country's implementation of the [Nuclear] Safeguards Accord to the current meeting, and convened a closed-door session. The situation has reached such a grave stage as seen today because the agency's Secretariat has absorbed itself in confirming the intelligence data, which our enemy state [uriuijoktaegugi] fabricated and presented, instead of trying to verify the correctness and completeness of our initial report. If a resolution on special inspections is adopted at the current Board of Governors meeting, the consequences will be very grave.

Insisting on special inspections of military facilities, which have nothing to do with nuclear activities, cannot be justified under any circumstances, and we will resolutely reject the attempt for such special inspections. I again call on the agency's Secretariat to immediately cancel its insistence on special inspections.

Spokesman: South 'Shock Force' in IAEA

*SK2602115393 Pyongyang KCNA in English 1137
GMT 26 Feb 93*

[“South Korean Authorities Must Promptly Stop Criminal Nuclear Development, Urges DPRK Foreign Ministry Spokesman”—KCNA headline]

[Text] Pyongyang, February 26 (KCNA)—“The South Korean authorities must give up its criminal nuclear arms development, get all the nuclear weapons of the United States withdrawn and its nuclear bases dismantled in South Korea,” said a spokesman of the Foreign Ministry of the Democratic People's Republic of Korea.

He was answering today a question put by KCNA on the disclosure of the fact that South Korea had a plan to complete A-bomb production and announce it already in 1981.

The spokesman said:

“The March, 1993, issue of the South Korean magazine ‘WOLGAN CHOSON’ quoted the diary of the former ‘presidential information secretary’ of South Korea as stating that the South Korean authorities promoted nuclear development from the 1970s in secrecy and decided to declare the completion of its nuclear weapons to the world on the founding anniversary of the ‘ROK Army’ in 1981.

“Foreign press, too, widely reported about this.

“This confirms once again that South Korea hastened the development of nuclear weapons under a plan for a long period and it reached the finishing stage already in the early ‘80s. Now no one can deny the fact about the development of nuclear weapons by South Korea.

“Nevertheless, the South Korean authorities, hand in glove with outside forces, are now raising outcries over the fictitious ‘nuclear development’ by the North and running about as a ‘shock force’ at meetings of the Board of Governors of the International Atomic Energy Agency. It has become all the clearer that their ulterior intention also lies in concealing the truth about their own criminal development of nuclear weapons.

“The South Korean authorities are, to tell the truth, the very one who have left South Korea to the United States as its nuclear arsenal and nuclear forward base and converted it into a source of nuclear war.

“Not confining themselves to this, they have developed nuclear weapons without hesitation to destroy the whole

nation and lay the territory of the country in waste, thus committing double treason never to be condoned by the nation and history.

"The Government of our Republic will make continued efforts to realise the desire of the entire Korean people to live in a free and peaceful land without nuclear weapons by denuclearising the Korean peninsula."

'World Public': IAEA 'Unreasonable'

SK2602123893 *Pyongyang KCNA in English 1128 GMT 26 Feb 93*

[Text] *Pyongyang, February 26 (KCNA)*—The world public is denouncing the unreasonable demand for "special inspection" of military facilities of the DPRK raised by the International Atomic Energy Agency (IAEA) under the pressure of the imperialists.

The Burundi Federation of Free Trade Unions issued a statement Feb. 21.

"The IAEA's demand for the opening of military facilities of the DPRK, a belligerent party in the war with the U.S., goes beyond its authority and it is an aggressive act infringing on the sovereignty of the DPRK," said the statement.

"We call on all the national and international organizations and progressive forces of the world to express support and solidarity for the Korean people's struggle to defend their dignity and independence honourably, not yielding to pressure and threat from outside forces the statement said. It urged the IAEA to keep to the principle of impartiality in its activities, not joining blindly in the arbitrary infringement on the sovereignty of small nations by big powers.

Retired Lt. Gen. Zh. Zhamiyan of Mongolia issued a protest Feb. 12, condemning the IAEA for demanding an inspection of ordinary military facilities not subject to inspection, without any scientific reason today when it has been verified through its ad hoc inspections that nuclear energy is used only for peaceful purposes in Korea.

"The IAEA must not act under the manipulation of the U.S. administration which has massively stockpiled nuclear weapons but properly behave true to its mission and principle," he demanded.

Dr. M.M. Verma, department director of the U.N. Research Centre in India, told the KCNA correspondent in New Delhi on Feb 19 that if the IAEA failed to perform its proper function and role, bowing to the pressure of a certain country, the agency would turn into a tool virtually controlled by one country and lose its authority as an international organisation.

He urged the IAEA to solve the nuclear inspection problem fairly through negotiation with the DPRK in accordance with its function.

North-South Committee Chairmen Hold Conference

SK2602024693 *Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 25 Feb 93*

[Text] The North side's chairmen of the subcommittees of the North-South high-level talks and the North-South joint committees held a joint news conference at the Hall of People's Palace yesterday, in connection with the fact that, because the South Korean authorities are conducting the Team Spirit-93 joint military exercise with the United States, a grave situation has been created on the Korean peninsula.

Put up at the forefront of the news conference was the portrait of Comrade Kim Il-song, the great leader of our party and people.

Present were chairmen of the subcommittees of the North-South high-level talks and the North-South joint committees. Also present were reporters of the press and publications, including NODONG SINMUN, the KOREAN CENTRAL NEWS AGENCY, and the Korean Central Broadcasting Committee. Present there were various countries' correspondents in our country and the functionaries related with the publications in embassies in our country.

Pak Nam-chun, North side chairman of the political subcommittee of the North-South high-level talks, spoke at the news conference:

He said that, because the South Korean authorities committed the dialogue-negating and peace-negating crime of suspending all authorities' talks by finally announcing the plan to conduct the Team Spirit-93 joint military exercise, our side's delegation to the North-South high-level talks issued a statement on 29 January to warn the South Korean authorities to act with discretion.

He said that if South Korean authorities valued the North-South dialogue and wanted to implement the North-South agreement and the joint declaration of denuclearization, they should have made a political decision both of deeply considering our warnings and the voices of the world and of stopping the Team Spirit joint military exercise.

He said that the South Korean authorities further cling to the adventurous nuclear war exercise with the foreign forces, the United States, and that they drive the Korean peninsula's situation to a grave situation in which a nuclear war may break out anytime.

He went on to say: The first stage, the deployment stage, of the Team Spirit joint military exercise will be finished in a few days. The second stage will then begin. Then, a real war exercise to make a nuclear raid on us will full-dressedly be conducted throughout South Korea. In fact, all of South Korea is under the atmosphere of a war. All guns and cannons are leveled at us.

The South Korean authorities are volunteering to be a shock brigade for the commotion of the special inspection of our facilities, which some of the International Atomic Energy Agency [IAEA] kicked off by following the United States. As a result, they are further straining North-South relations and driving the situation to an extreme situation.

He said that because our side predicted last October, when the decision to resume the Team Spirit joint military exercise was announced, that such a grave situation would take place, our side has patiently urged and seriously warned the South Korean authorities to withdraw the decision and to come out to the dialogue for peace and negotiations.

This nonetheless, the South Korean authorities are persistently conducting the Team Spirit joint military exercise and are driving the situation to a grave phase which is irretrievable. He stressed that this is a betrayal to us, dialogue partner, and is antinational act of reversing the promise made before the nation.

He said that, as the past history of the North-South dialogue shows, the South Korean authorities have never kept a promise. He added: All facts show that, even though they signed the agreed documents at the North-South dialogue places because of pressure at home and abroad, they originally had no intent to implement them and they had the inner intent to nullify [nalyobonaeda] the agreed documents at any time.

He said that the South Korean authorities' resumption of the criminal Team Spirit joint military exercise is a deliberate maneuver to nullify the North-South agreement and the joint declaration of denuclearization.

Referring to the fact that the South Korean authorities are babbling about the resumption of the provocative Team Spirit joint military exercise by using our nuclear issue as a pretext, he said that, in deference to both sides' agreement on adopting the North-South joint declaration of denuclearization, our side has received the IAEA irregular inspections several times. He said that the integrity of our nuclear policy has been confirmed through the irregular inspections.

The Team Spirit joint military exercise had been discontinued before we received the IAEA nuclear inspections. The resumption of the Team Spirit joint military exercise after our nuclear policy seek a peaceful purpose through the IAEA nuclear inspection is an unpardonable betrayal to us, dialogue partner.

He brands the South Korean authorities' maneuvers of conducting the Team Spirit joint military exercise as the national traitorous act of following the interest of foreign forces. He warned that if they kick off the indiscreet war gamble with the backing of foreign forces, we are forced to take a self-defensive measure.

He said that the South Korean authorities are inciting the fever of the criminal Team Spirit nuclear war exercise by following the United States. This is mainly aimed, above all, at frustrating the North-South dialogue; at completely stopping the implementation of the North-South agreement and the joint declaration of denuclearization in particular; at preventing an overall inspection [chonmyon sachal] of the U.S. nuclear weapons and bases; at finding a pretext to station the U.S. forces as they are; and at covering up the maneuvers to develop their nuclear weapons.

He said that the South Korean authorities cannot escape from the responsibility for putting the favorably-developing North-South dialogue into the crisis of frustration; for stopping the implementation of the North-South agreement and the joint declaration of denuclearization which caused the great concern of the people at home and abroad; and for pushing Korean peninsula into the grave situation in which a war may break out.

He went on to say: The agreement and the joint declaration, which the North and the South promised before the whole nation and the world, should be implemented without fail. The act of offering foreign forces the opportunity to fish in troubled waters and the act sacrificing the nation should not be allowed whatever.

From such a point of view, we are watching the attitude of the regime which is inaugurated in South Korea today. We strongly demand that the South Korean authorities pay attention to the voices at home and abroad unanimously denouncing them; that they immediately stop the very dangerous Team Spirit-93 joint military exercise which imposes nuclear holocaust on the country and the nation; and that they give up the mean and brazen-faced antinational crime of standing in the vanguard in the commotion of special inspection of our facilities.

The North side's chairmen of the subcommittees of the North-South high-level talks and the North-South joint committees gave answers to questions posed by domestic and foreign reporters.

Kim Chol-su, the North side's chairman of the Joint Committee of Society, Culture, and Exchanges and Cooperation Between the North and the South, strongly denounced the South Korean authorities for resuming the criminal Team Spirit nuclear war exercise against the same nation with the United States and for volunteering to be a shock brigade for special inspection put forth by some of the United States and the IAEA. He said that this is the sycophantic and traitorous act of giving up the principle of national independence.

Choe U-chin, the North side's chairman of the North-South Joint Nuclear Control Committee, denounced the South Korean authorities for resuming the Team Spirit joint military exercise with the United States by using a nuclear issue as a pretext and for babbling about special inspections. He said that this is a crime to let make the county and the nation fall a victim of the powers.

Kim Yong-chol, the North side's chairman of the North-South Military Subcommittee, exposed, by showing concrete data, that considering the characteristics and scale, the Team Spirit joint military exercise this time is the provocative nuclear war to attack the North.

In the press conference, North side's chairmen of the subcommittees of the North-South high-level talks and the North-South joint committees unanimously stressed that the South Korean authorities be wholly held responsible for driving the situation on the Korean peninsula to a grave danger by following foreign forces.

KCNA Reports South's 24 Mar Military Activity
SK2602052893 Pyongyang KCNA in English 0418
GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—A war exercise under the name of Demonstration Education of River-crossing Operation was staged in the central sector of the front by a unit of the South Korean puppet ground force, according to a report of Seoul-based radio no. 1 Feb. 24.

This attack exercise for breaking through a defence line was part of the preparations for the start of the criminal joint military maneuvers "Team Spirit 93."

Aerial firearms and other heavy weapons were mobilized in the military racket.

CIA Chief Cited on DPRK's Nuclear Program
OW2502023993 Tokyo KYODO in English 0201 GMT
25 Feb 93

[Text] Washington, Feb. 24 KYODO—Central Intelligence Agency Director James Woolsey expressed grave concern Wednesday over North Korea's nuclear program, saying there is a "real possibility" that it has produced enough plutonium to build one nuclear bomb. In testimony to Congress, Woolsey also accused North Korea of being the country most eager to sell ballistic missiles to the world. "North Korea (is) almost in a class by itself in the proliferation world," Woolsey said, charging that "it is willing to sell to any country with the cash to pay." Woolsey said North Korea is "actively marketing" a new 1,000-kilometer range ballistic missile which he said the North Koreans are now developing.

Apart from weapons sales, Woolsey said Washington's greatest concern is that Pyongyang is still hiding its nuclear arms program despite its commitment to the International Atomic Energy Agency (IAEA). There is a "real possibility that North Korea has already manufactured enough fissile material for at least one nuclear weapon and is hiding this from the IAEA," Woolsey told the Senate Government Affairs Committee.

Kim Il-song Greeted Saharan Republic Leader
SK2602122493 Pyongyang KCNA in English 1130
GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea today sent a message of greetings to Mohamed Abdelaziz, president of the Saharan Arab Democratic Republic and Secretary General of the Polisario Front, on the occasion of the 7th Anniversary of the proclamation of the Republic.

President Kim Il-song in the message expressed the belief that the friendly relations between the two peoples would develop continuously.

Peruvian Military Delegation Departs
SK2502125793 Pyongyang KCNA in English 1106
GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—The delegation of the military delegation of the republic of Peru led by Defence Minister Victor Malca Villanueva left here for home today after concluding its seven day visit to Korea.

It was seen off at the airport by minister of People's Armed Forces O Chin-u and Vice Marshal Kim Kwang-chin and generals and officers of the Korean People's Army.

Pak Song-chol Receives Rwandan Envoy's Credentials
SK2602103093 Pyongyang KCNA in English 1012
GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—Newly-appointed Rwandan Ambassador E.P. [extraordinary and plenipotentiary] to the Democratic People's Republic of Korea Rukira Issidore Jean Baptiste presented his credentials to Vice-president Pak Song-chol today at the Mansudae Assembly Hall.

Vice-minister of Foreign Affairs Chang Sung-kil was on hand.

After receiving the credentials Vice-president Pak Song-chol conversed with the ambassador.

Foreign Groups Celebrate Kim Chong-il's Birthday
SK2602120793 Pyongyang KCNA in English 1110
GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—Celebration functions took place in various countries on the occasion of the dear leader Comrade Kim Chong-il's birthday.

Celebration meetings were held in Georgetown, Guyana, and Waterloo district, Sierra Leone.

The prime minister, the speaker of the National Assembly and leaders of political parties and people of various strata participated in the meeting held in Guyana.

Addressing the meeting, the prime minister said that Comrade Kim Chong-il has built an excellent society in Korea by applying the *chuche* idea and made great achievements in its development.

"As the outstanding leader of the Korean people, he has made great contributions to the promotion of the people's well-being," the prime minister noted.

A question-and-answer contest and a poem recitation session were held by the members of the Ghanaian National Institute of the *chuche* idea, and a roundtable talk in the conference hall of the communist forum of Denmark.

Korean photo exhibitions, film shows and book exhibitions took place in Accra of Ghana, Bamako of Mali, Phrae Province of Thailand, the Chollima shipbuilding yard of Cuba, Maputo of Mozambique, a Cultural Centre in Egypt and Kuala Lumpur of Malaysia.

Meanwhile, a poem recitation session and an art performance were held in Yugoslavia and sports games in Mongolia, Guyana and the Congo.

Youths, Students Adopt Youth League Appeal

SK2602063393 Pyongyang KCNA in English 0518 GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—The appeal of the Central Committee of the League of Socialist Working Youth of Korea (LSWYK) which was adopted at a torchlight rally of youths and students here Thursday calls upon the members of the LSWYK and other young people throughout the country to advance dynamically for accomplishing the socialist cause of *chuche* under the leadership of the party, united in one mind around the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

"The 8th congress of the League of Socialist Working Youth of Korea was a congress of singlehearted unity of the heirs to the revolutionary cause of *chuche*, a congress of their loyalty, and a congress of unshakable faith of the young people determined to defend and glorify our-style socialism centred on the popular masses under the leadership of the party under any circumstances," the appeal says.

It stresses that if our young people are to be staunch defenders and reliable heirs to the socialist cause, they must be unfailingly loyal to the party.

Saying that "Let Us Uphold Our Party With Singlehearted Unity!" must be the rock-firm will of our young people and be the whole of their struggle and life today, the appeal urges the entire members of the LSWYK and

the young people to unite around the dear leader Comrade Kim Chong-il in one mind and carry the socialist cause of *chuche* to accomplishment.

"The young people must defend and advance the socialist cause with an indomitable will to rise up again to fight, even if they may fall a hundred times, convinced that the victory of socialism is the inevitability of history," the appeal says.

Calling upon the young people to work with all devotion for defending the dignity of the nation and for the prosperity and development of the socialist country, deeply conscious of the high pride and honor of living in the great homeland of *chuche*, the appeal says:

"All members of the LSWYK and young people!

Let us vigorously step up the three revolutions, ideological, technical and cultural, upholding the slogans of faith 'When the party is determined we can do anything!' and 'Let us be young heroes in the worthwhile struggle to glorify the Workers' Party era!' and the banner of struggle.

"Let us always maintain a strained and mobilized posture to cope with the enemy's aggressive moves with a correct viewpoint of war!

"If the enemy dare provoke a reckless war of aggression, the entire young people must defend the party and socialist homeland with death by becoming five million bombs and five million Yi Su-poks, closely united behind respected comrade supreme commander."

Daily Urges Party, Chuche Support

SK2602112693 Pyongyang KCNA in English 1056 GMT 26 Feb 93

["Faith in Chuche Is Noble Ideological and Moral Trait of True Revolutionary"—KCNA headline]

[Text] Pyongyang, February 26 (KCNA)—As long as there are the popular masses united in one mind around the party and the leader with faith in *chuche*, our socialism will remain a bastion of socialism forever and we will always emerge victorious, declares NODONG SINMUN in a signed article today.

The article says:

The faith in *chuche* is an unshakable ideological consciousness and resolution to think and judge all the problems in one's own senses and solve them by one's own efforts in conformity with one's specific conditions. It is, in essence, the unswerving conviction of the validity of the idea, line and policy of the party and the leader and the iron will to make the revolution their own way under any difficult and complicated circumstances. It is a revolutionary faith which the revolutionaries of our era should have.

To have a firm faith in *chuche* is a basic requirement to become an indomitable revolutionary soldier who steadfastly defends the party and the leader, loyal to them, an essential requirement to become a true patriot who devotedly serves for the country and the people. It is also a prerequisite to becoming a steadfast defender of our-style socialism centred on the popular masses.

The advantages and might of socialism is the superiority and power of ideology and faith.

Today our-style socialism is advancing dynamically, holding ever higher the revolutionary banner, in face of the vicious challenge of the imperialists because our people's faith in *chuche* remains unshaken.

Our people have keenly realized that our leader, our party and our socialism, an embodiment of the *chuche* idea, are the best. With this faith in *chuche* our people are bravely smashing the anti-socialist offensive of the imperialists, united around the party and the leader in one mind, upholding the revolutionary banner of *chuche*.

Kim Chong-il Thanks Scientists, Technicians

SK2602102893 Pyongyang KCNA in English 1010 GMT 26 Feb 93

[Text] Pyongyang, February 26 (KCNA)—The dear leader Comrade Kim Chong-il sent thanks to scientists, technicians and workers of different units who had made successes in scientific researches and the technical innovation movement and contributed to the economic development of the country.

The scientists and technicians of university of science and the Musan mining complex introduced a method of block multiple blasting by laser so that the blasting efficiency could be raised markedly and lots of materials be saved.

The workers and technicians of the Sunchon coal mining machine plant built a modern welded pipe production base in a short span of time. The officials, workers, technicians and three-revolution team members of the youth electrical appliances complex built a modern electronic elements production base and contributed to developing applied products.

Teachers and students of Kim Chaek university of technology devised a new efficient survey machine which is of great importance in geological prospecting.

KCNA Reviews 26 Feb Pyongyang Press

SK2602070893 Pyongyang KCNA in English 0453 GMT 26 Feb 93

[Press review]

[Text] Pyongyang, February 26 (KCNA)—Papers here today report that the great leader President Kim Il-song and the dear

leader Comrade Kim Chong-il received gifts respectively from foreign party and party delegations.

Papers print messages of greetings sent to Comrade Kim Chong-il by foreign party and state leaders in congratulation of his 51st birthday.

A letter to Comrade Kim Chong-il from the meeting of Korean intellectuals in Japan is seen in papers.

The immortal classical work of Comrade Kim Chong-il "the historical lesson in building socialism and the general line of our party" has been studied and disseminated in different countries, according to the press.

Comrade Kim Chong-il extended thanks to units which scored success in scientific researches, displayed noble communist traits and set examples in helping the People's Army.

The press conveys voices of South Korean students highly praising Comrade Kim Chong-il, the illustrious leader of the youth movement.

Papers carry an account of a torchlight rally of 100,000 youths and students held here to make a loyal oath to thoroughly carry out the tasks set forth in the letter sent by President Kim Il-song to the 8th congress of the League of Socialist Working Youth of Korea, and an appeal of the LSWYK Central Committee to the members of the lswy and other young people across the country.

NODONG SINMUN comes out with an article headlined "faith of *chuche* is noble ideological and moral traits of true revolutionary".

Papers report about the innovations effected in fertilizer and power production and in railway freight transport.

Carried in NODONG SINMUN are joint statements issued by the Workers' Party of Korea with the March 26 movement of Uruguay, the for peace and socialism-the communist Workers' Party of Finland, the Communist Party of Greece and the Movement to Socialism of Venezuela.

Papers inform the readers that a joint press conference was called by the North-side chairmen of the sub-committees for the inter-Korean high-level talks and of the North-South joint committee with regard to the grave situation created on the Korean peninsula due to the projected resumption of the "Team Spirit" joint military exercises by the South Korean authorities with the United States.

They print an account of a meeting of Pyongyangites to welcome Kim Kuk-hyon who came to the northern half of Korea from South Korea.

The director of the council of measures for the problem of "volunteers corps" of South Korea urged the probe into the truth behind the "comfort women for the Japanese army", says NODONG SINMUN.

Appearing in papers are articles and public voices demanding the repatriation of old Yi In-mo, former war correspondent of the Korean People's Army, who is stranded in South Korea.

They convey news of air espionage by the U.S. and South Korean puppets against the North and world public voices demanding the discontinuation of the "Team Spirit" war game.

The press reports that the head of DPRK delegation, in a speech at the February meeting of the board of governors of the International Atomic Energy Agency, resolutely rejected the demand for an inspection of military sites unrelated to the nuclear activities and world public circles are denouncing the unjustifiable attitude of the IAEA calling for a "special inspection" of the DPRK and supporting the DPRK's principled stand towards the nuclear inspection.

World news of the press includes reports that Comrade Fidel Castro called for a decisive victory in election, the January issue of the Japanese magazine SEKAI revealed the moves of Japan to become a permanent member of the UN security council and XINHUA rejected the "threat of China" claimed by western countries.

South Korea

Reaction, Reportage on New Cabinet Appointments

Names, Titles of Officials Noted

SK2602002893 Seoul KBS-1 Television Network in Korean 0000 GMT 26 Feb 93

[Announcement by Yi Kyong-chae, senior presidential secretary]

[Text] I would like to announce names of all of cabinet members, the director of Agency for National Security Planning, the mayor of Seoul Administration, and secretary general of the Secretariat of the Council for Peaceful Unification, who will work for the new government:

Deputy Prime Minister and Minister of Economic Planning Board: Yi Kyong-sik, president of the Korea Gas Corporation;

Deputy Prime Minister and Minister of National Unification: Han Wan-sang, professor of Seoul University;

Foreign Minister: Han Sung-chu, professor of Korea University;

Home Minister: Yi Hae-ku, deputy director of secretariat of Democratic Liberal Party [DLP];

Finance Minister: Hong Chae-hyong, president of the Foreign Exchange Bank;

Minister of Justice: Pak Hui-tae, DLP spokesman;

Minister of Defense: Kwon Yong-hae, vice defense minister;

Minister of Education: O Pyong-mun, professor of Chonnam University;

Minister of Culture and Sports: Yi Min-sop, DLP National Assemblyman;

Minister of Agriculture, Forestry, and Fishery: Ho Sin-haeng, director of Korea Rural Economic Research Institute;

Minister of Trade and Industry: Kim Chol-su, president of the Korea Trade Promotion Corporation;

Minister of Construction: Ho Chae-yong, director of the National Land Research Institute;

Minister of Public Health: Pak Yang-sil, former president of the Korean Women Doctors Association;

Minister of Labor Affairs: Yi In-che, DLP National Assemblyman;

Minister of Transportation: Yi Kye-ik, former president of the Korea Tourism Bureau;

Minister of Telecommunications and Posts: Yun tong-yun, vice minister of Telecommunications and Posts;

Minister of Government Administration: Choe Chang-yun, senior secretary to DLP president;

Minister of Science and Technology: Kim si-chung, president of the Federation of Education Boards;

Minister of Environment: Hwang San-song, lawyer;

Minister of Information: O In-hwan, political assistant to DLP president;

First State Minister of Political Affairs: Kim Tok-yong, DLP Assemblyman;

Second State Minister of Political Affairs: Kwon Yong-cha, director of the Korea Womens Development Agency;

Director of Office of Legislation: Hwang Kil-su, lawyer;

Minister of Veterans Affairs Agency: Yi Pyong-tae, consul general in Honolulu;

Mayor of Seoul: Kim Sang-chol, lawyer;

Director of the Agency for National Security Planning: Kim Tok, professor, Hanguk University of Foreign Studies;

President of Advisory Council for Peaceful Unification Policy: Yu Kyong-hyon, former DLP Assemblyman.

Major Officials Profiled

SK2602061693 Seoul YONHAP in English 0558 GMT
26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—Following are thumbnail sketch profiles of major cabinet ministers appointed by President Kim Yong-sam Friday:

—Economic Planning Minister Yi Kyong-sik (60)

Yi served twice, in 1974 and 1979, as senior presidential secretary after piling up experience at the Economic Planning Board. Known for his economic growth-oriented policies, Yi is said to have been one of the key planners of the five-year economic plan during the Third Republic. He transferred to the Daewoo Business group after his retirement in 1980 and gained experience in private business.

—National Unification Minister Han Wan-sang (57)

Han has a reputation of never compromising, which may have been why he was dismissed twice while a professor at Seoul National University [SNU]. He connected with President Kim Yong-sam from the early 1970s, when they met at meetings of SNU graduates for political debate. Han urged Kim and his competitor, Kim Tae-chung, to compromise to put up a single candidate during the 1987 presidential election, often speaking out against Kim Tae-chung.

—Foreign Minister Han Sung-chu (53)

Han has a certain international fame as a columnist for *NEWSWEEK* and his appointment fills Kim Yong-sam's diplomacy lineup with scholars, including senior presidential secretary Chong Chong-uk, who is one year his junior from Seoul National University. His main interest is in the United States but recently varied his line, heading an EC research center at the Korea University and serving as chief secretary on the Korea-Japan 21st Century Committee.

—Home Affairs Minister Yi Hae-ku (55)

Known to be soft outside but strong inside, Yi started out as a policeman in 1968 and quickly moved up through the Seoul Metropolitan Police and the Agency for National Security Planning. He entered politics when he was elected lawmaker from Ansong, Kyonggi Province, as an independent in 1988, after which he joined Kim Yong-sam's party. He earned Kim's trust while accompanying him nationwide during the presidential campaign.

—Finance Minister Hong Chae-hyong (56)

Hong is versed in international monetary affairs and known as a man of principle. Born in Chongju, North Chungchong Province, Hong graduated from the Commerce College of Seoul National University and began to work for the Finance Ministry in 1963. He served as first assistant finance minister, director of the customs

administration office, and president of the Export and Import Bank of Korea and the Korea Exchange Bank.

—Justice Minister Pak Hui-tae (55)

A two-term lawmaker from Namhae, Southern Kyongsang Province, Pak moved about three district prosecutor's posts. Recognized for his verbal abilities, Kim earned the new president's trust as party spokesman during the election. He served as spokesman for a record five years.

—Defense Minister Kwon Yong-hae (55)

Kwon is the first vice defense minister to succeed to minister and the first major general to take the post instead of a four-star general. He joined the Defense Ministry as director-general of the policy and management office after retirement in 1988 and was promoted to vice minister in December 1990. Kwon is said to be on friendly terms with officials of the U.S. Department of Defense and U.S. Forces in Korea, and this may come in handy now as Seoul is claiming more responsibility for its defense.

—Trade and Industry Minister Kim Chol-su (52)

An international trade expert, Kim served as first assistant trade and industry minister for six years from 1984 as the longest postholder. The Seoul native graduated from Tufts University in the United States majoring in political science in 1964 and started in public service at the Institute of the Foreign Affairs and National Security in 1972. He was transferred to the Trade and Industry Ministry the next year and accumulated experience in the trade sector. He made his name in 1989 by allaying the U.S. threat to apply Super 301 to Korea through talks.

—Construction Minister Ho Chae-yong (59)

Huh is from Chonju, North Cholla Province, and graduated from Korea University's Law School. Born in 1934, he joined the Economic Planning Board in 1962 and moved to the Construction Ministry in 1968, spending most of his public life there. Ho has led the Korea Research Institute for human settlement since 1988.

—Agriculture, Forestry and Fisheries Minister Ho Sin-haeng (51)

Ho worked as an agriculture researcher after studying agricultural economics at Seoul National University. Born in 1942 in Kwangyang, South Cholla Province, he served the Korea Rural Economics Institute since 1978. He emphasizes that commercial and export farm industries should be developed and that the Uruguay Round trade talks should be used as momentum for the Korean farm industry to take off.

—Transportation Minister Yi Kye-ik (56)

Yi is more remembered as an economic commentator at the Korea Broadcasting System (KBS), where he was between 1981 and 1984. He started out as a reporter with the TONG-A ILBO in 1963 after graduating from Seoul National University and worked briefly at the Lucky-Goldstar executive board before switching to KBS. Yi was head of the Korean National Tourism Corp. from 1986 to 1989, his latest ties to the Transportation Ministry.

—Information Minister O In-whan (54)

O is a born journalist with outstanding judgement and creativity. A Seoul native, O began his career with the HANGUK ILBO in 1964 after graduating from the French department of Hanguk University of Foreign Studies. O served as social, political, and chief editor during his 28 years at the daily. He was recruited by President Kim Yong-sam last year, when Kim was president of the Democratic Liberal Party (DLP), to be his special assistant on political affairs. O is married to Kim Nam-hui, and the couple have a son and a daughter.

—Director of the Agency for National Security Planning Kim Tok (58)

Already labeled the most unexpected appointment, Kim spent 32 years at the Hanguk University of Foreign Studies after graduating from Seoul National University's Law Department in 1958. His specialty is international politics, especially China and Russia, and he served on the advisory committee for the Foreign Ministry.

—Seoul Mayor Kim Sang-chol (46)

Kim has a reformist tendency combined with a friendly personality. He forsook the judge's bench in 1980 and became a lawyer, earning himself a name as an advocate of human rights after taking on cases such as a labor dispute at Daewoo Motor Co., the torture-rape of Kwon In-suk and the torture of Kim Kon-tae. After losing the general election in 1987, he served as legal adviser to Lucky Fire and Marine Insurance Co. and chairman of the 21st Century Presidential Advisory Committee. A graduate of the Law School and the Graduate School of Seoul National University, Kim also studied at Kiel University in Germany. He is married to Choe Won-cha and has a son and a daughter.

Appointments Show 'Reform-Oriented' Kim

SK2602083293 Seoul YONHAP in English 0739 GMT
26 Feb 93

[YONHAP "News Analysis" by Cho Se-hyon entitled: "Kim YS Shows His Will To Reform in Cabinet Appointments"]

[Text] Seoul, Feb. 26 (YONHAP)—Kim Yong-sam said he would carry out reforms, and less than 24 hours after he became president he showed how he was going to do it. He named 24 cabinet ministers, the director of the Agency for National Security Planning and the mayor of

Seoul on Friday in his first major appointments, described by many as unconventional, if not surprising. In a move unthinkable during the past administrations of former army generals, Kim brought in a professor of political science to head the powerful security agency. Kim also named other academicians and some politicians who had been in opposition camps to lead major ministries, reflecting the character of his administration as the first genuine civilian government in three decades.

Noticeable by their absence were military officers-turned-politicians as well as the politicians who have always hung around the peripheries of powers-that-be, and those who went in and out of the administrations of Presidents Chon Tu-hwan and No Tae-u. Also absent were those known as members of a loosely-knit group called the TK clan, an acronym for the men who have come from Taegu and North Kyongsang Province.

"It is a clear and unmistakable expression of the president's determination to carry out reforms," said one analyst, requesting anonymity. "Looking at the cabinet lineup, it is indeed refreshing and encouraging to know that President Kim really meant business when he said he wanted to reform the country," he added.

Presidential Spokesman Yi Kyong-chae, speaking for his boss, said the president had selected fresh, able and reform-oriented personalities who could carry out reforms and build "A New Korea." The fact that the lineup included many younger administrators underscored the president's will to reform, Yi said. In short, Kim offered new wine in a new bottle.

Only exception is Choe Chang-yun, who was appointed minister of government administration. Choe served as senior presidential secretary for political affairs and information minister under President No, but worked closely with Kim Yong-sam on reform plans as Kim's chief secretary. In the specialized fields of defense, trade and industry and communications, Kim retained officials of the No administration, but by promoting them to minister from vice ministerial posts, sources point out.

The appointments of Deputy Prime Minister and head of the National Unification Board Han Wan-sang, Foreign Minister Han Sung-chu, Education Minister O Pyong-mun and Environment Minister Hwang San-song came as surprise to most people. But Kim Sang-chol as mayor of Seoul was the most unexpected appointment, according to some analysts, because he had been a lawyer for human rights with little administrative experience.

Another characteristic was the appointments of five ministers, including the prime minister, from the Cholla Provinces, which many observers believe were made in an effort to help overcome regional animosities. There were also three woman appointees, showing the Kim administration's interest in women's affairs.

Businessmen: New Officials 'Capable'

SK2602053193 Seoul YONHAP in English 0259 GMT
26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—Korea's five major economic organizations evaluated the new cabinet positively Friday, saying that it included capable specialists who could push ahead with measures to revitalize the economy without destabilizing it. The Federation of Korean Industries said in a statement that it expected the cabinet to contribute to economic revitalization and progressive reforms. The Korean Chamber of Commerce and Industry issued a similar statement, urging the government to introduce programs to encourage private creativity and reduce administrative red tape in an effort to enhance business operations. Small- and medium-sized companies said they expected the new government to view their problems in a more flexible way and to present more realistic and vigorous measures to solve them.

Samsung, Hyundai, Lucky-Goldstar, Daewoo and other business groups also reacted positively to the new cabinet, saying that as most of the ministers were new they understood President Kim Yong-sam's will to reform the government. In particular, they said they expected Deputy Prime Minister Yi Kyong-sik, head of the Economic Planning Board, to precisely analyze the difficulties facing them because of his wide experience in administrative, business and banking circles. They had a similar reaction to Trade and Industry Minister Kim Chol-su, who worked for the ministry and therefore has a deep understanding of their situation.

Executives at Daewoo, where the deputy premier once worked, seemed to be relieved and welcomed his appointment as a real skipper for export activities. Executives at Sunkyung, Kolon and Pohang Iron and Steel Corp. [Posco], which are competing for the second mobile telecommunications project, expected the selection of a successful bidder at an early time as communications minister Yun Tong-yun was deeply aware of the project as vice minister when controversy emerged last year. Sunkyung executives, in particular, seemed to welcome Yun as he is expected to expedite the re-selection process. Executives at Kolon and Posco said they expected him to be fair.

Reactions on Foreign Minister Mixed

SK2602051093 Seoul YONHAP in English 0305 GMT
26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—Opposite reactions emerged at the Foreign Ministry Friday on the news that Professor Han Sung-chu would be the new minister. Optimists hoped that the scholar would bring a freer, less bureaucratic atmosphere to the ministry, while the pessimists worried at Han's U.S.-inclined views and studies. The pessimists' worries were compounded as Senior

Presidential Secretary for Diplomacy and National Security Chong Chong-uk is also unfamiliar with the administrative side of his job. Han is labeled for his American inclinations among political scholars and so is Chong, ministry people said, concerned that Korea's diplomatic policy may be swayed by such inclinations.

Kim Yong-sam's Policy Programs Summarized

SK2602045493 Seoul THE KOREA TIMES
(Supplement) in English 26 Feb 93 p 4

[Text] As it was stated through his acceptance speech as presidential candidate of the Democratic Liberal Party at its National convention, Mr. Kim Yong-sam declared that he will lead the country for the next five years through a democratic leadership based on public consensus and a clean and responsible politics. His vision, presented to the people, can be categorized as follows into policies in each field.

Political Field 1. To Expand a New Clean Politics

Cleansing corruption, and introducing the public hearings system for appointment of officials and personnel.
2. To Carry Out a Responsible Politics

Materializing a responsible politics through the advancement of parliamentary democracy. 3. To Build a Small Government

Dispersing and transferring the power of the central government to the local level.

Establishing a democratic and powerful leadership based on the consensus of the people.

Forming a government which has consistent policy aspirations. 4. To Invigorate Parliamentary Politics

Respecting the minority opinion and materializing a politics based on dialogue and agreement. 5. To Realize an Administration for the People

Expanding an autonomy of government agencies, and strengthening their responsibilities.

Economy 1. To Revitalize a Free Market Economy

Maximizing efficiency by removing unnecessary intervention and regulations.

Establishing fair competitive order by preventing monopoly.

Establishing an advanced economic system that will stimulate democratization and internationalization. 2. To Sustain the Trustworthiness and Consistency of Policies

Establishing an economic order based on participation and agreement.

Promoting the trustworthiness of economic measures through open policies.

Sustaining consistency in pursuing policies. 3. To Stabilize Consumer Prices

Maintaining steady money supply and controlling unnecessary government expenditure. 4. To Turn International Earnings into Profits Within Two Years

Concentrating investments for the expansion of social overhead capital, for the fostering of manpower and for technological development.

Regaining of trust between management and labor, establishing industrial peace, and boosting productions. 5. To Promote a Balanced Development of the Industry and Real Estate

Fostering the agricultural sector into a competitive industry by investing 42 trillion won (\$52.5 bil.) for the next 10 years in the improvement of the agricultural framework.

Establishing an overall system of technology for the small and medium size industries.

Realizing balance in real estate and concentrating on fostering industries in accordance with the characteristics of the regions. 6. To Build a Society Where Economic Justice Exists

Pursuing proper land policies to prevent speculative gains as well as inheritance of land without proper taxation.

Implementing a system where real names will be used for banking and land ownership. 7. To Carry Out Environmental Policies so That the Entire People Will Be Able to Drink Clean Water

Strengthening of environmental surveillance and expanding environmental investment. 8. To Relieve the Problem of Traffic Congestion in the Metropolitan Areas

Dramatically expanding subway lines, placing priority on policies for public transportation. 9. To Continuously Carry Out Housing Policies for Those Without a House

Expanding investment on housing and construction including loans for the needy to either buy or rent houses.

Pursuing a system for permanent rent houses, thus creating an era where there is no one without a house.

Social Policies 1. To Place Priority on Solving the Problem of Regional Conflict

Promoting a balanced and fair development of all the regions under a balanced land development plan. 2. To Build a Society Where the Earnest Worker Is Respected

Expanding construction of rent houses for lower income worker.

Introducing and expanding minimum wage system considering the actual cost of living. 3. To Build a Society Where Men and Women Will Be Treated Equally

Revising articles discriminating women.

Expanding social participation of women. 4. To Revise the Education Policies and to Nurture the Mental and Physical Health of Our Youths

Formulating a creative and outward-looking curriculum for the youth, appropriating youth fostering funds and providing cultural settings for the younger generation.

Easing restriction on educational backgrounds for employment. 5. To Advance the Relations Between Management and Labor or as well as Teachers and School with a Sense of Community

Implementing revisions to construct an educational environment based on democratic welfare and establishing industrial peace. 6. To Strengthen Safety for the People

Introducing state-of-the-art equipment and pursuing the establishment of a responsible security for the people.

Exterminating any form of sexual abuse.

Removing dangerous areas and establishing civil security.

Reunification 1. To Exert Efforts so that a Peace Structure Without the Threat of War Can Be Established

Realizing denuclearization and arms reduction on the Korean Peninsula.

Promptly adopting the peace agreement between South and North Korea. 2. To Place Priority in Solving Problems Surrounding the Division of the Peninsula Including Pains of Division Like the Dispersed Family Issue

Promptly realizing the reunification of families dispersed throughout the Korean Peninsula and their exchanges as well as correspondences between the two sides. 3. To Steadily Expand the Grounds for Cooperation and Exchanges between the South and North

Re-examining and completing a system in preparation for a period of cooperation and exchanges between the South and North.

Expanding the basis for cooperation and exchanges in political, economic, cultural and other areas. 4. To Augment Democratic Values Alluring the Opening of North Korea

Providing support for the improvement of relations between North Korea, the United States and Japan.

Pursuing cooperation between the South and North in international settings.

Exerting efforts in unfolding a national community sharing a common sense of nationality. 5. To Provide a Mid to Long Term Plan in Preparation for Reunification to be Reflected in All Policies

Establishing an overall land development plan and investing in social overhead capital in preparation for reunification.

Pursuing conversion of the educational system into one emphasizing peace in preparation for reunification.

Foreign Relations and Diplomacy 1. To Positively Pursue Reunification Diplomacy

Establishing a peace structure in Southeast Asia.

Creating an international reunification environment and forwardly pursuing diplomacy for the formation of a Korean community. 2. To Consolidate Economic Diplomacy

Establishing a long-term diplomatic tactic to cope with the period of economic war and trade friction.

Consolidating cooperation and exchange among countries in the technological areas. 3. To Expand a Balanced Pluralized Diplomacy

Pursuing balance in foreign policies including Nordpolitik, diplomacy with the Western allies and the third world countries.

Pursuing balance in security and reunification diplomacy.

Kim Yong-sam To Announce Economic Measures in Mar

SK2602071993 Seoul KYONGHYANG SINMUN in Korean 26 Feb 93 p 2

[Text] In early March, President Kim Yong-sam will announce the plan for economic reform which will revitalize the economy. Following this declaration, an overall measure to revitalize the economy will be announced following discussion amongst all economic-related ministries. Related authorities revealed on 25 February that President Kim Yong-sam plans to mobilize all administrative power and abolish or ease various administrative regulations to restore economic vitality. This is so businesses are provided with an environment in which they may conduct their work with autonomy and creativity.

Following President Kim Yong-sam's declaration on creating a new economy, the Economic Planning Board plans to announce overall measures to revitalize the economy after discussing this matter with the Ministries of Finance, Trade and Industry, Agriculture and Fisheries, and Construction. Various epoch-making methods to ease administrative regulations—financial reforms like ways to stabilize wages and interest, measures for preventing the concentration of economic power on

specific conglomerates, and the establishment of a special law to regulate business activities—will be included in the overall measure. Various support measures aimed at revitalizing small and medium-sized businesses will also be included.

New Premier To Lead 'Reform Politics' Pursuit

SK2602070593 Seoul YONHAP in English 0605 GMT 26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—Prime Minister Hwang In-song said Friday, a day after taking office, that he would lead the way in correcting irregularities, corruption and malpractices to meet popular desires for reform and change. He told his first news conference that he would pursue reform politics because going on as before would make it difficult for Korea to solve its problems.

President Kim Yong-sam wanted a small government, but that didn't mean he was interested only in shrinking organizations and trimming personnel, Hwang said. It meant instead that the government would release corporations and individuals from their shackles by trimming regulations and reducing intervention, he said.

Hwang, a former chief policymaker of the ruling Democratic Liberal Party, promised to try his best to inspire all public officials to serve the public with a deep sense of responsibility. Commenting on the new cabinet, Hwang said he had discussed it with Kim more than enough despite the short time and had done his best to select the best people to manage state affairs by bringing new faces from all walks of life into the administration. The new cabinet might lack practical experience, he said, but having people with too much experience would have made a change of direction more difficult.

North Urged To 'Speedily Comply' With IAEA

SK2602073593 Seoul YONHAP in English 0724 GMT 26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—South Korea called on North Korea Friday to speedily comply with the International Atomic Energy Agency (IAEA) resolution demanding special inspection in two suspected sites. "The almost unanimous support by the IAEA Board of Governors for the special inspection on North Korea as demanded by the agency's director-general reflects the serious concerns held by the world community against North Korea's suspected nuclear development," a Foreign Ministry official said in a commentary. "We expect North Korea to quickly comply with the IAEA resolution to remove such international concerns," he said.

The IAEA adopted a seven-point resolution at the close of its board session in Vienna, calling additional information and access to the suspected sites "essential and urgent." Twenty-two of the 35 board members jointly proposed the resolution.

Unification Minister Discusses Summit Possibility*SK2602112793 Seoul YONHAP in English 1112 GMT
26 Feb 93*

[Text] Seoul, Feb. 26 (YONHAP)—New Deputy Prime Minister and National Unification Minister Han Wansang said on Friday that to induce a national consensus over unification issues, he would positively accommodate even opposition opinions. "As President Kim Yong-sam disclosed, what is most important in carrying out unification policies is to forge a national consensus," said Han, adding that "among the people there are progressives, conservatives, students and opposition."

In his first press conference upon his appointment, Han said he would strive to realize a unification in a realistic and ideal manner. "Unification is no longer something abstract in view of the situation surrounding the Korean peninsula and the internal conditions of North Korea," he said.

On the possibility of inter-Korean summit meeting, the deputy premier said he is of the opinion that the top leaders of the two sides can meet in the interests of the nation. "If they think the nation is important and if they think our people's happiness and harmony are important, they would be able to meet to resolve pending matters like the nuclear question, Team Spirit exercise and Yi In-mo case," Han said.

Asked how does he think of North Korea, he said that in viewing North Korea, one should distinguish the North Korean regime from its people. "About the Pyongyang government, there is something about which we should be careful in our talks," he said. "It is true that in the North there are some areas where North Korea has hardly departed from the cold-war mechanism."

Han said he believes his office can be in good cooperative terms with the Agency for National Security Planning. "One thing obvious is that the locomotive of unification policies is my National Unification Board," he said.

Transfer of DPRK Official for ROK Affairs Discussed*SK2502151193 Seoul CHUNGANG ILBO in Korean
25 Feb 93 p 2*

[Text] Choe Yong-chol, deputy prime minister and minister of the National Unification Board, said on 24 February: "North Korea transferred Yun Ki-pok, Workers Party Central Committee secretary for South Korean affairs, to the secretaryship for education in December 1992. Choe revealed: "This transfer is interpreted as a measure of blaming Secretary Yun Ki-pok for an aborted South Korean Workers Party of Korea spy case."

Deputy Prime Minister Choe said in a farewell meeting with reporters: "North Korea's commandos made a sudden attack on Chongwadae [presidential residence]

on 21 January 1968 to no avail. It was revealed later that a person responsible for South Korean affairs had been reprimanded for the unsuccessful attack and been replaced by some other person." Choe added: "Yun Ki-pok's replacement is construed as part of gesture for North-South reconciliation."

Deputy Prime Minister Choe also said: "We should adopt a carrot-and-stick policy in order to resolve North Korea's nuclear issue." Choe stressed: "Once the nuclear issue is resolved, we need to resort to a bolder policy toward North Korea."

Foreign Minister Stresses DPRK, Japan Ties*SK2602092493 Seoul YONHAP in English 0913 GMT
26 Feb 93*

[Text] Seoul, Feb. 26 (YONHAP)—Solutions to South Korea-Japan relations, trade friction and North Korea's nuclear problems are the immediate tasks facing the Foreign Ministry, Foreign Minister Han Sung-chu said in his first press conference after appointment Friday. Independence in policy decisions, mature diplomacy, less red tape and autonomy in personnel reshuffle are his goals, Han said. Han, picked up to the cabinet from Korea University where he was a political science professor, named the three immediate issues that he called "important and difficult." "I will engage in research and discussions and seek legislative and public support on these issues to contribute to effective diplomacy," said Han. Stressing mature diplomacy, the new foreign minister vowed to do away with unnecessary protocols, mannerism and event-oriented diplomacy for practical diplomacy. "I hope that appointment of a non-career diplomat like myself will serve as an opportunity to make these changes," Han told reporters.

Asked about his opinion of the Foreign Ministry before he was appointed minister, Han said it was true the ministry played second fiddle in diplomatic policymaking. "This was due to atmosphere and past practices. I believe that I can act more boldly because I am not a career diplomat," said Han. "I will try to create the right climate for fair personnel reshuffle and independence in policy decisions."

Bankers: U.S. Regulations 'Too Tough'*SK2602033493 Seoul THE KOREA TIMES in English
26 Feb 93 p 9*

[By staff reporter Cho Chae-hyon]

[Text] Korean bankers say U.S. government regulations on foreign banks are making it too tough for them to open branches and conduct business there.

Out of four Korean commercial banks, two have shelved plans to open offices in the U.S. and two others have yet to receive permission from American banking authorities since they tried to make inroads there two years ago.

The Korea Exchange Bank [KEB], KoAm [Korean-American Bank], Citizens National Bank [CNB] and Bank of Seoul tried to open branches or representative offices in the U.S. two years ago but the U.S. has not taken any action for more than a year.

A KEB official said, "KEB tried to open an additional incorporated company in New York two years ago, but decided last year to scrap the plan because it is almost impossible for it to meet the strengthened requirements."

The U.S. government passed legislation in 1991 that toughened the requirements for foreign banks wishing to open offshoots, obviously in order to protect its domestic customers.

The Bank of Seoul also planned to open a new branch in Atlanta but gave up on the plan due to the toughened requirements. The Citizens National Bank was allowed to open a representative office in Los Angeles by the Ministry of Finance and applied for permission but has not received any response from the related U.S. authorities.

An Office of Bank Supervision [OBS] official said domestic banks need to enhance their overseas business by way of increasing their presence in foreign countries in order to better support domestic enterprises operating there.

"Domestic banks have actually been blocked from increasing their offshoots in the U.S. due to the enhanced regulations on foreign banks. The U.S. government has not given approval to foreign bank to open offices there since the Foreign Bank Enhancement Act was enacted in 1991," he said.

"The American authorities are taking too long as to whether it will allow Korean banks to open offices there or not. Korean banks are having difficulties in their overseas business plan due to the U.S. unequivocal attitude on the issues."

On the contrast, U.S. banks operating here, which held more than an 80 percent share of net income of all international banks here last year, are on the forefront in demanding Korean regulators abolish regulations on foreign banks.

Most Korean bankers say the U.S. regulations are tougher than Korea's at least in terms of branch opening procedures.

"To meet the new U.S. regulations, we have to prepare too many documents and the cost is getting higher. Our existing U.S. branches also have to pay more money to follow the enhanced regulations. For example, we have to hire an expert to meet such rules as compliance regulations. The business condition is worsening and the cost is more expensive for Korean banks," a CNB official said.

The KEB official also said, "We seek to open an additional office in the U.S., but right now we are waiting for the U.S. regulators to ease regulations on foreign banks' branch opening requirements. We can not afford to open a branch at such a high cost."

The enhanced banking rules require foreign banks to get approval from the Federal Reserve Board in addition to the Federal Deposit Insurance Corporation (FDIC) and each state banking department.

Despite the stringent U.S. rules, an OBS official points out Korean banks also need to upgrade their international status before complaining of the toughened U.S. stance.

"Korean banks first should make efforts to meet such international requirements as the Bank for International Settlement [BIS] guideline requiring all banks to meet the 8 percent capital adequacy ratio," he said.

Some major commercial banks fall short of the BIS ratio. Korean banking regulators are putting top priority on guiding banks to strengthen their capital basis.

The regulators also added that Korean banks should enhance their profitability to get favorable appraisal from U.S. banking regulators.

Currently, Korean banks have a total of 45 offshoots including 24 branches, seven incorporated companies and 14 representative offices in the U.S.

Steel Exporters' Lawyer Explains U.S. 'Mistake'
SK2602085493 Seoul YONHAP in English 0721 GMT
26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—The U.S. Government is expected to lower dumping margins on Korean steel exports at its final determination in early June, a lawyer for the Korea Iron and Steel Association (KOSA) said Friday. Donald Cameron told reporters that the U.S. Commerce Department had set dumping margins, the difference between export and home prices, of Korean hot-rolled sheet approximately 13 percent too high due to double calculation of freight rates at the preliminary ruling last month.

With 18 other nations, Korean steelmakers were accused of selling hot-rolled and cold-rolled galvanized sheet and plate at unfair prices on the U.S. market. Korean hot-rolled sheet exports faced anti-dumping charges of 30 percent. Because the provisional duties on Korean hot-rolled exports were relatively mild compared with the tariffs on Japan and the European Community (EC), Korean steelmakers can actually turn the misfortune into a blessing and gain competitiveness, Cameron said, adding that he could not predict Washington's final dumping margin rate. He explained that he had applied for a correction on the Commerce Department's freight calculation early this month, but reports in the Korean

press that Washington was not doing anything were wrong and an official statement was due within two weeks.

Cameron stressed that the Commerce Department understood the gravity of the miscalculation as it was a rare mistake. He advised that attaching political significance to the anti-dumping ruling on Korean steel exports would be little help in resolving the problem. Cameron, who has been in Seoul since Tuesday, said he was optimistic on the results of the anti-dumping and countervailing investigations on Korean companies after studying their thorough preparations.

ASEAN Becomes 3d Largest ROK Export Market
*SK2502141793 Seoul YONHAP in English 1149 GMT
25 Feb 93*

[Text] Seoul, Feb. 25 (YONHAP)—The ASEAN (Association of Southeast Asian Nations) area has replaced the European Community (EC) to emerge as South Korea's third largest export market after the United States and Japan. A government trade official said Thursday that exports to ASEAN countries in January reached 669 million dollars, up 2.9 percent over a year before, compared with 600 million dollars to the EC, down 9.4 percent. Last year, exports to ASEAN totaled 8,577 million dollars, a rise of 20.8 percent over 1991, while exports to the EC amounted to 9,233 million dollars, a decrease of 5.1 percent from the previous year.

Exports to the ASEAN area have risen phenomenally influenced by the industrialization of the ASEAN countries. They jumped from 1,967 million dollars in 1987 to 3,049 million dollars in 1988, up 55 percent, to 3,974 million dollars in 1989, a rise of 30.4 percent, and further to 5,062 million dollars in 1990, a gain of 27.4 percent. In 1991, exports to the ASEAN area rose by another 40.3 percent to 7,103 million dollars.

The remarkable increase in exports to ASEAN was because the ASEAN countries' demand for raw and subsidiary materials and industrial facilities surged sharply in their rapid industrialization. In contrast, sluggish exports to the EC were due to the lingering economic recession there, which has led to lesser demand for foreign goods, the official said.

Tobacco, Ginseng Firm Opens Branch in Hong Kong
*SK2502141293 Seoul YONHAP in English 1224 GMT
25 Feb 93*

[Text] Hong Kong, Feb. 25 (YONHAP)—The Korea Tobacco and Ginseng Co. opened its first overseas branch office here in Hongkong Wednesday in a bid to step up sales of its ginseng and tobacco products in China and Southeast Asian countries. A brief ceremony marking the opening of the Hongkong branch was attended by about 200 well-wishers. They included Kim

Ki-song, vice president of the Korea Tobacco and Ginseng Co., and Korean consul general in Hongkong Chong Min-kil.

During the ceremony, branch head An Chong-ho said that with the opening of his branch office as a momentum, his company would expand the exports of its red ginseng products to the Hongkong area from 40 million dollars in 1992 to 61 million dollars this year. China and the Southeast Asian area account for about 70 to 80 percent of the total exports of Korean red ginseng products.

NSP Head Stresses Information Collection, Analysis
*SK2602102193 Seoul YONHAP in English 1000 GMT
26 Feb 93*

[Text] Seoul, Feb. 26 (YONHAP)—Kim Tok, new director of the Agency for National Security Planning (NSP), said Friday his agency would in the future concentrate on the gathering and analysis of information on the abroad and North Korea. "In this connection, we will resolutely do away with the agency's function of political surveillance, a mission which had in the past given negative impression to the people," Kim said.

While meeting with reporters at the Chongwadae [presidential offices] press room upon his appointment, the new NSP director said that he would readjust the function and standing of his agency. He said the NSP would expand those duties necessary to the state while curtailing those less important. Kim said he would do his utmost in forging a new "intelligence culture" at this time when a civilian-led society has been born and the international order is changing rapidly. Questioned about possible curtailment of NSP manpower and organization, Kim said he was not in a position to discuss it at the moment since he said he was yet to grasp the NSP business properly.

*** Murphy Delivers Kim Yong-sam Message to North**
*932C0072A Seoul CHUNGANG ILBO in Korean
4 Jan 93 p 9*

[Report by Correspondent Yi Sok-ku from Tokyo: "Secret North-South Contact Through Various Channels"]

[Text] North and South Korea are making secret contacts with each other through various channels to realize an inter-Korean summit, and Nikko Co. is one of these channels, according to SANKEI SHIMBUN.

Nikko Co. has a U.S. Government license to conduct trade with North Korea, which has no diplomatic relations with the United States. It has such close ties with North Korea that a number of its employees have visited North Korea more than 10 times. Nikko was established in Bahama in 1968 and moved to the United States in 1985. Of the company's capital, the U.S. investors account for 60 percent and the Japanese investors for 40

percent. Some of the Nikko employees are Japanese. Rumors say that some former Japanese generals are among the investors thanks to Nikko Chairman Mr. Murphy's ties with Japan—he was stationed in Japan after World War II as commander of the U.S. occupation forces.

It is customary for Chairman Murphy to visit North and South Korea at the same time. His last visit to North and South Korea was made in October 1992. Accordingly to SANKEI SHIMBUN, he is known as a longtime friend of President-elect Kim Yong-sam. Mr. Murphy held a key post in the Pentagon from 1977 through 1981 after serving as commander of the 6th Fleet. He served as chief assistant to then Vice President George Bush from 1981 through 1985, and since 1986 he has been Nikko's chairman.

SANKEI SHIMBUN says that when it contacted Nikko's Managing Director David Chan (phonetic) in New York, he denied reports that Mr. Murphy is acting as an intermediary to arrange a North-South summit in view of his background. However, SANKEI SHIMBUN quoted Mr. Murphy as saying: "I am sure the leaders of the North and the South want to meet with each other. Mr. Kim Yong-sam is a civilian president chosen by a free election. So, there is no reason not to meet him. President Kim Il-song, although he does not know much about President-elect Kim, was not too critical of Mr. Kim's election in his open statement. This is a good sign."

The following is the content of the interview with Nikko Managing Director David Chan.

[SANKEI] Is Nikko a firm doing business with the Korean Peninsula?

[David Chan] No. Its major customers are communist countries, but its trade covers the whole world. We have a special U.S. licence for trading with North Korea. As of now, we are the only ones who have such licence, but it is not a special privilege.

[SANKEI] Nikko smacks much of a Japanese firm.

[David Chan] Some of the Japanese investors come from the Nikko area. The chairman served as a commander in Japan after World War II. Accordingly, thanks to these ties, former Japanese generals who were his old friends invested in our company after their retirement.

[SANKEI] Rumors say that there will be a summit between the next ROK president, Kim Yong-sam, and President Kim Il-song of North Korea.

[David Chan] That is right. I think so. Most probably, it may be realized in March or April.

[SANKEI] Where would it take place?

[David Chan] Seoul or Pyongyang is the most likely site. There is no reason the two leaders should not even come to the United States if it is for the sake of peace. Don't you think so?

[SANKEI] Who is trying to arrange the summit, and why?

[David Chan] Because it is dangerous to isolate North Korea, it is very important for the ROK, the United States, and Japan to draw North Korea into the international community and search for ways to bring North and South Korea into terms with each other by reducing the level of military strength on the Korean Peninsula. We are giving this piece of advice to the United States. However, Chairman Murphy himself is not acting as an intermediary.

[SANKEI] Rumors say that Nikko is acting as a go-between in the construction of nuclear power plants in North Korea.

[David Chan] No. They say the ROK is providing it. This is just a rumor, it is not confirmed. However, when North Korea abandons its nuclear weapons facilities [haek isol] and stops nuclear fuel reprocessing plant, the ROK could provide nuclear power plants. In that event, the United States and Japan would not object. This is the common perception.

[SANKEI] Japan and other countries have misgivings about North Korea's nuclear weapons development.

[David Chan] Both the government and the press are misleading the public. With the current level of North Korea, it is impossible to develop nuclear weapons. It is hardly believable. The opinions of Former LDP [Liberal Democratic Party] Vice President Shin Kanemaru and other Japanese politicians about North Korea are 80 percent wrong. They believe that North Korea is manufacturing nuclear warheads, but North Korea does not have such capability.

[SANKEI] They can invite engineers from abroad, can't they?

[David Chan] They don't have money. We know most of the Russian nuclear scientists and missile experts, thanks to our longtime dealings with Russia. But they have no desire to cooperate with North Korea. Currently, quite a few of them are rather going to Japan and the ROK.

[SANKEI] The former Soviet Union assisted North Korea in developing nuclear energy.

[David Chan] It was a very rudimentary assistant. What is more, its scale was very small. North Korea is currently experiencing a very acute power shortage.

[SANKEI] Isn't it possible to provide nuclear power plant construction technology for the purpose of power supply?

[David Chan] No. We are not yet ready for that. Moreover, the United States won't permit it for North Korea.

*** Official Questions Readiness for Unification**

932C0075A Seoul HANGUK ILBO in Korean
19 Jan 93 p 16

[By National Unification Research Institute Director Yi Pyong-yong: "Human Rights in North Korea"]

[Text] The types of unification we can achieve not by war but by peaceful means can be reduced to two.

The first type is, as in the case of Germany, unification resulting from the collapse of North Korea and achieved by absorbing it. In the second type, the North and the South would form a national community of coexistence, exchange and cooperation and go through a transitional period before finally reaching unification through consultations. At first glance, the first type might look less time-consuming; however, for unification by absorbing the North, two conditions are required to be met simultaneously: that North Korea collapses, and that in that case we have the capability of dealing with multitudes of problems that erupt all at once. In that sense, such unification, one may say, is a mere dream. The first reason is that the North Korean leadership at the moment not only refuses to take a course of reform and openness but also retains its structural capabilities to hold on to its system for a considerably long time to come while carrying on what it calls "our way of socialism."

The second reason is that we still lack the capability of dealing with after-effects from unification that comes suddenly from North Korea's collapse. A comparison with the German case would make it self-evident.

Thus, the first-type unification is neither possible nor desirable under the present circumstances. This means that the only alternative we have is the formation of a national community leading to unification through consultations. The question is how long it would take to attain unification of this type. Can we just sit back and wait for it? Or should we do something to prepare for it? People may ask these questions. But before answering them, we should go back to the fundamental question of why we have to go for unification.

Our cause is not for unification for the sake of unification. It is because unification ends the disruption of the nation's history and is a requisite for national prosperity that we have been exerting our utmost to unify the divided nation nearly half a century.

If a highly developed welfare society, guaranteeing freedom, human rights and happiness equally for each and every member of the 70 million nation, is the future image our unified country, and if that is our goal in longing for peaceful unification, then preparations to make possible such unification should be made both in the North and in the South.

In other words, unification to bring national prosperity does not come by itself. How soon it will come depends on how far and how rapidly we prepare for it and build our strength accordingly. Seen from this point of view, what we ought to do now is self-evident. Most important is that while further building up national strength, we must see that amid political stability, matured democracy takes root between the North and the South.

Someday a constitution representing the wishes of all the people of North and South Korea will have to be made by peaceful means and democratic procedures. In that case, the opening of the North Korean society and mutual personal visits will be the minimum conditions for it. If North Korea should desire such unification, it should first open itself to the outside world, providing opportunities for all in the North and the South to see each other's situation objectively with their own eyes. If it should keep the door closed and yet continue to demand peaceful unification on unilateral terms, people would naturally doubt its true motive.

North Korea today remains a controlled, uniform society totally deprived of the freedom of speech and press, not to mention the freedom of to choose and change residence which are universally guaranteed in a civilized modern society. Not only that but it is a virtual military-barrack society as well where human rights of individuals simply do not exist. Unless the human rights are reinstated for the North Korean people, there is no way of forming a national community uniting the North and the South into one. And it would basically be impossible to resolve the unification issue; furthermore, only a verbal war, an empty propaganda war, will continue between the North and the South.

Peaceful unification can be achieved only after the required foundations have been laid between the North and the South politically, economically, socially and culturally. It is not something that can be achieved overnight merely by putting out a variety of proposals. Unification itself in our case is a lengthy process to recreate the nation's history. It is because the unification of North and South Korea, divided and its ties disrupted for a prolonged period, should be "new unification" to create the nation's future history, not "reunification" for reversion to the past.

Viewed from this standpoint, U.S. strategy toward the former Soviet Union for the past 15 years is full of suggestions for us. The human rights policy of the Carter administration rejected the communist notion and led the global attention to focus on the human rights issue, and on the Soviet Union as a despotic state, while the Reagan administration's resoluteness kept the strategic arms race going until the Soviet Union collapsed. Also, we recall that Chancellor Kohl, at a press conference marking the second anniversary of the German unification, emphasized that "our policy toward East Germany had consistently focused on the freedom and human rights of the East German people, which encouraged political democratization movements in East Germany

and eventually led to the unification." His remark, we may say, clearly indicates what our pressing tasks are.

*** DPRK Economic Reformers Stage Comeback**

932C0069A Seoul CHUGAN MAEGYONG in Korean
6-13 Jan 93 pp 96-98

[Article by Kim Nam-kyu, research fellow at the North Korea Research Institute: "Reformist Kang Song-san Stages Comeback; Kim Tal-hyon and Other Economic Experts Get Promoted"]

[Text] At the Fourth Session of the Ninth Supreme People's Assembly [SPA] on 11 December 1992, former Premier Kang Song-san, responsible secretary of the North Hamgyong Province WPK [Workers Party of Korea] Committee and chairman of the North Hamgyong Provincial People's Committee, was reappointed as premier replacing Yon Hyong-muk. In a sweeping cabinet reshuffle the SPA also replaced four key economic ministers in the State Administration Council, namely, the chairman of the State Planning Committee, the chairman of the External Economic Committee, the minister of metal industry, and the minister of chemical industry. In addition, the SPA reportedly passed the "Korean Law on Foreigners' Investment," originally approved by the October, 1992, SPA Standing Committee.

Last Resort for Overcoming Economic Hardship

The cabinet reshuffle has the following salient features: First, Kang Song-san was as premier once before. Formerly, he had served in that post for three years from 1984 through 1986, pursuing a bold economic reform policy, including the adoption of a joint venture law. He now has been reinstalled as premier after an interval of six years. Second, Vice Premier Kim Tal-hyon, concurrently chairman of the External Economic Committee and minister of foreign trade, has been shifted back to his former post as vice premier and chairman of the State Planning Committee after a lapse of four years. At the same time, Kim Tal-hyon has been promoted to his new party post in the center of power as a candidate member of the Political Bureau of the WPK Central Committee. Third, Yi Song-tae, a relatively little figure who was appointed vice minister of foreign trade in the eighth cabinet formed in 1987, has been promoted to his new key post as chairman of the External Economic Committee, thanks to his involvement in the Tumen River basin development cooperation project under the UN Development Program (UNDP).

The replacement of the key economic policy planners coincides with the stalemate in North-South relations and it came in the final year of the Third Seven-Year Economic Plan, which is scheduled to be completed in 1993. From this it may be surmised that North Korea has relieved Yon Hyong-muk calling him to account for the failure of the Third Seven-Year Plan, which was launched in 1987, in order to pave the way for Kang

Song-san, who proved his ability before, to prepare and execute economic plans for 1993 and thereafter. North Korea must have chosen Kang Song-san because in their judgement he, an economic expert highly trusted by Kim Il-song and Kim Chong-il, is the only person who can handle the difficult task of "preserving the Establishment and opening the economy" in the wake of the collapse of the Soviet Union and the East European bloc, a task that North Korea never confronted in the 1980's.

Therefore, the reappointment of the reform-minded economic expert Kang Song-san to the premiership, and the promotion of Kim Tal-hyon, an active pursuer of North-South economic cooperation, and Kim Yong-sun, director of the WPK International Department, to candidate memberships in the Political Bureau, may be indicative of North Korea's determination to step up economic reform and opening from now on. Kim Yong-sun has played a leading role in North Korean diplomacy toward the West and its policy toward South Korea. These intimates of Kim Il-song and Kim Chong-il are defenders of the dynastic succession from Kim Il-song to his son, Kim Chong-il, and are expected to find a breakthrough for ending the stalemate in North-South relations.

Preservation of Establishment Remains Immutable Goal

The North Korean State Administration Council currently consists of one premier, 11 vice premiers, and 14 committees, 25 ministries, and five agencies directly under it. It functions as an executive organ of the state under the control of the Central People Committee, with the president at the helm. Beginning with the premier, nine out of the 11 vice premiers are officials in charge of the economy. Except four ministries, including the Ministry of Foreign Affairs, and the Ministry of Public Safety; and four committees including the education, cultural, and sports committees, the rest deal with the economy. Accordingly, the State Administration Council has the characteristic of being an economic cabinet.

This trait is traced back to the sixth cabinet formed in 1977 with career economic bureaucrat Yi Chong-ok as premier of the State Administration Council. That coincided with the surfacing of Kim Chong-il on the forefront of power. Since then, expert technocrats trained as so-call national cadres, such as Kang Song-san, Kim Hwan, So Kwan-hui, Hong Song-nam, Hong Song-yong, and Yon Hyong-muk, have been appointed to State Administration Council posts in droves. All of them, belonging to the second generation of the revolution, are intimates of Kim Il-song and Kim Chong-il and stalwart defenders of the Establishment.

Formerly, Yi Chong-ok was relieved of the premiership in 1984 in the middle of the term of the seventh cabinet, taking responsibility for the failure of the Second Seven-Year Plan. On the surface, he was promoted to the post of vice president. Kang Song-san was elevated from vice premier to premier as Yi Chong-ok's successor.

Kang Song-san was born in North Hamgyong Province in 1931 (Some say he was born in Pyongyang in 1926). He is known as a son of Kim Il-song's mother's older sister, and some say he is a cousin of Kang Kon. So, there is no accurate information on his blood ties. He studied in Moscow University after graduating from Mangyongdae Revolutionary Institute—a path reserved for North Korean elites—and built his career by beginning with local party organizations. He became a [unspecified] responsible local party secretary in 1969 at the young age of 38 and was promoted to the responsible secretary of the Pyongyang WPK Committee in 1970.

Kang Song-san became chairman of the Pyongyang Municipal People's Committee and started out on his government career in 1975 by joining the State Administration Council as chairman of the Transportation and Communications Committee. When the Yi Chong-ok economic cabinet was formed in 1977, Kang was promoted to vice premier and became a candidate member of the WPK Political Bureau in the same year. In 1980 he became a full member of the Political, the center of power. He was elevated to premier of the State Administration Council in January 1984 and appointed to a concurrent post of WPK Central Committee secretary in charge of economic affairs in 1986, thereby becoming the front-runner among the revolution's second generation.

While accompanying Kim Il-song on his tour of the Soviet Union and East Europe in 1984, Kang Song-san saw the developed state of East European countries with his own eyes. Upon his return home, Kim Il-song admonished those bureaucrats who used to report to him, "North Korea has the best living condition in the world," and ordered Kang Song-san to push for economic reform. Kang tried to copy the Chinese type of reform, namely, "reform inside the Establishment," while shifting North Korea's economic policy gradually from the policy of self-contained, closed self-sufficiency policy to that of an open economy. Under the new policy, he aggressively led his economic reform program by, among others, adopting a joint venture law and drawing the General Association of Korean Residents in Japan (Chochongnyon) into projects designed for the modernization of industrial and production technology. However, the reform policy went awry because production stagnated due to the weakness of the North Korean system and because North Korea's accumulating foreign debt made foreign investors hesitate to invest. The

reform program was suspended particularly because of the uneasiness about market economy felt by the die-hard conservatives, forcing Kang Song-san out of his post as premier in 1986.

Yon Hyong-muk Transferred to Chagang Province

Kang Song-san enjoyed such a strong trust of Kim Il-song and Kim Chong-il that he had maintained his fourth place in the party hierarchy until 1988 after he was relieved as premier. While serving as the responsible secretary of the North Hamgyong Province WPK Committee, he visited China leading a joint central-provincial party delegation in search of economic cooperation and conducted important external economic cooperation activities for the establishment of the Tumen River special economic zone and the Najin-Sonbong free trade zone.

This prompted the speculation that in anticipation of the great possibility that North Hamgyong Province, adjacent to the Chinese and Soviet borders, would develop into a trade center, Kim Il-song deliberately sent Kang Song-san, a man of thrust, to that province out of a policy consideration. It seems that now he has been reinstalled as premier because he passed the test. Similarly, the transfer of Yon Hyong-muk, an able man who enjoys the full confidence of Kim Il-song and Kim Chong-il, to Chagang Province may be in line with Kim Il-song's peculiar personnel administration policy. In other words, in view of the fact that Chagang Province has North Korea's largest industrial base and a large concentration of munitions industrial facilities, Kim Il-song has posted Yon Hyong-muk, a heavy industry expert, in Chagang Province to give him a chance to prove his mettle in implementing the heavy industry policy.

Vice Premier Kim Hwan, another heavy industry expert, forms a reputed troika of expert bureaucrats together with Kang Song-san and Yon Hyong-muk. Vice Premier Kim Hwan's reassignment as minister of chemical industry, the same job he had held concurrently until the end of 1991, may be interpreted as North Korea's desire to make the best use of his economic expertise in tiding over its economic difficulties. The relieving of Vice Premier Choe Yong-im as concurrent chairman of the State Planning Committee and naming him as concurrent minister of metal industry instead, indicates that he, as well as Kim Hwan, are kept in key posts in the interest of preserving the Establishment because both enjoy the confidence of Kim Il-song and Kim Chong-il.

Burma

Opposition Party Calls for 'Genuine Democracy'

BK2502163593 Hong Kong AFP in English 1621 GMT
25 Feb 93

[Text] Rangoon, Feb 25 (AFP)—Burma's main opposition party, the National League for Democracy (NLD), called Thursday for a state constitution that would faithfully reflect the peoples' desires for a genuine democracy.

The NLD, co-founded by detained Nobel laureate Aung San Suu Kyi who was officially expelled from the party in 1991 after she was placed under house arrest, swept 1990 elections but was unable to take power.

The party's call was made at a national constitutional convention here, which the junta has insisted should consider writing a permanent role for the military into the constitution.

Eighty-seven elected candidates of the NLD presented a separate but identical paper on proposed chapters to be included in a new constitution at the junta-convened convention now underway in Rangoon.

(Observers in Bangkok said they believed the NLD's insistence on a separate paper may have been a cloaked way of underlining its identity as the unequivocal winner of the 1990 elections.)

NLD leader Aung Shwe told AFP: "We will stick to the (convention) rules but use every opportunity which comes our way to present our views."

The NLD's executive body, headed by Aung Shwe, has come under heavy criticism from many of its members for being too docile.

At the opening plenary session of the convention on Wednesday, he asserted that what people desired was not a guided democracy but a "genuine democracy".

In a subtle hint to the military, Aung Shwe quoted its often-stated "noble desire"—that though the military had to take power due to unavoidable circumstances, it wanted to hand over power to the people in a democratic way within the shortest time possible.

The military took power while quelling nationwide pro-democracy protests in 1988.

Only excerpts of the proposals submitted by eight of ten political parties Wednesday were aired over the state radio and television.

Authorities, citing lack of time, spotlighted the fact that all the political parties represented at the convention had proposed that a separate chapter should be included to consider the military's role in future politics.

In repeating its proposal for a separate chapter for the military, NLD candidates today reiterated that the military, as a legitimate defender of the nation and its future democratic constitution, should feature prominently, but as a "modern army."

However, like most other political parties, the NLD has yet to specify what exactly the military's role in the future should be, analysts here noted.

Aung Shwe told AFP Thursday that the reason for separate submissions by the party was a way of exercising its rights as provided for in the procedures spelled out for the convention, which include the right to submit dissenting views separately.

Shan Nationalities League for Democracy (SNLD) chairman Hkun Tun Oo said his party candidates did not see the need for separate submissions as it would merely amount to "singing the same song using two singers." The SNLD Thursday joined with elected candidates of other political parties in submitting a joint paper. NLD candidates replied by saying the separate but identical paper submitted Thursday was to "demonstrate unity with the leadership."

At the recent funeral of Daw Mya Yee, wife of Burma's last democratically-elected premier U Nu, a group of NLD dissidents were reported to have placed a wreath with the inscription "The followers of Aung San Suu Kyi." A total of 689 delegates, three more than on the opening day attended Thursday's session.

Workers, Technocrats Present Reports at Convention

BK2602080793 Rangoon Radio Burma in Burmese
0630 GMT 26 Feb 93

[Text] The plenary session of the National Convention continued at 1000 today at the Central Meeting Hall in the President's House compound on Ahlone Road, Yangon [Rangoon].

The plenary session was chaired by alternate Chairman U Nan San Shwe, delegate of the national races category from Mon State. Members of the Panel of Chairmen who were present were U Aye Thwin, U Tha Zan Hla, U Mahn Tin Aung Than, U San Tint Aung, U San Tin, U Aung Than, U Kyi Aye, and U Sakhon Tint Yein. U Khin Maung Myint acted as secretary of the meeting.

Today's plenary session was attended by Major General Myo Nyunt, chairman of the National Convention Convening Commission and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee and committee members; Brigadier General Tin Aye, chairman of the Management Committee for the National Convention and committee members; local and foreign journalists, and convention delegates.

The secretary first declared the plenary session valid with an attendance of 690 delegates. Next, according to the agenda,

various groups of delegates submitted reports on chapter headings for drawing the state constitution.

The report containing proposals on chapter headings for the state constitution compiled by workers delegates was read by Dr. Myo Thant Tin of Ahlone, Yangon Division, and U San Latt Naw of Myitkyina, Kachin state.

The report containing proposals from delegates representing technocrats and intelligentsia was presented by Professor U Thein Naing. The session adjourned for lunch at 1135 and will continue in the afternoon.

National Unity Party Presents Report

*BK2602102393 Rangoon Radio Burma in Burmese
1400 GMT 24 Feb 93*

["Excerpts" of the report on headings for framing the State Constitution read by U Tun Yi, general secretary of the National Unity Party, at the plenary session of the National Convention held on 24 February in the President's House compound, Rangoon—recorded; all chapter numbers as heard]

[Text] Esteemed Mr. Chairman, members of the Panel of Chairmen, and convention delegates: I am U Tun Yi, general secretary of the National Unity Party [NUP].

Our NUP is working toward the emergence of a firm and enduring state constitution as a national duty. With this conviction, we look forward to the successful convening of the National Convention. We are working with the hope of love and conciliation among the political and national forces for the success of the National Convention, consultation and cooperation among the internal forces to resolve internal issues, and an enhancement of national prestige.

Countries draft their state constitutions according to the conditions in their respective countries. I believe convention delegates should be aware and cautious about (?copying foreign versions outright), the external pressure, and acceptance of external influence. I strongly support the guidelines presented on 11 January by the chairman of the National Convention Convening Work Committee for drafting the state constitution in accordance with the country's objective conditions and natural habitat, history, politics, economy, social conditions as well as culture and tradition.

Agreement through discussions and consultations can be obtained on Chapter 3 dealing with freedoms and the fundamental rights and duties of citizens. The basic objective of drafting the state constitution is to accurately prescribe freedoms, fundamental rights, and the duties of citizens.

In a country, there is a government and the people. The government wields force or power. It is necessary to have controls to ensure that the government does not use force or power in a one-sided manner or for intimidation. At

the same time, it is necessary to have constitutional guarantee for freedoms and rights of citizens.

One of the basic rights of the citizens should be the right to recall the people's representatives who no longer represent the people's will. The rights of citizens should include the rights of peasants and workers who represent the basic classes.

Chapter 6 should be prescribed to the government's outline of the distribution of management or administrative power.

We as well as the people desire a government which is strong, (?effective), compassionate to the people, receptive of criticism, and responsible to the people. Therefore, we are to consider the kind of government to be formed— be it a presidential or a cabinet form of government—and the kind of power and rights for the government. We should consider ways to dismiss a government that has become reactionary or unacceptable to the people. We are to include these matters under this chapter for the people's interests.

Chapter 9 is for prescribing the establishment of a commission to inspect public enterprises to ensure the interests of the state and the people are firmly protected under the constitution. It is hoped that this chapter would be acceptable to the convention delegates and the general public, to prevent loss and waste in economic enterprises in the cooperative and public sector as well as programs implemented by the state, to eliminate bribery and corruption, and to make enterprises effective.

Chapter 10 is on states. Considering the country's history, (?national) experience, and current practice, our country (?shall always stand as) as a union. As a union, there will be (?automatic membership) from states which are members of the union. This point is important to ensure the nondisintegration of the union, nondisintegration of national solidarity, and perpetuity of independence and sovereignty.

It is especially necessary to ensure that national races are fully satisfied on this issue. There should be mutual trust to remove any animosity based on race and discrimination between major and minor ethnic groups. This chapter should be prescribed to ensure equality and self-administration among races, the continued existence of national races, and their development.

Chapter 13 is on the role of the Defense Services. An objective review of internal and external conditions would show this to be a national need. The performance and loyalty of the Defense Services is already recorded in history. The Defense Services defends the constitution, safeguards the country's independence and national sovereignty, and has stood firmly as a strong national force. Therefore, in recognition of its unique and important role, I propose that the participation of the Defense Services in an appropriate role in leading national politics be included in a chapter of the State Constitution.

Esteemed Mr. Chairman and members of the Panel of Chairmen: The current National Convention is a unique and important event in the history of Myanmar as people from all walks of life —national races, political organizations, peasants and workers—are represented here. As the convention (?represents) the entire nation, it is a convention which is capable of reflecting the national aspirations, wishes, and attitudes. I hope these positive features would contribute to the successful compilation of chapter headings in the drawing up of the state constitution. I conclude by respectfully submitting the NUP report on chapter headings for drawing up the state constitution. [applause]

SLORC Chairman Optimistic on Economic Growth

BK2502135393 Rangoon Burma Television Network in Burmese 1330 GMT 24 Feb 93

[Excerpts] A coordination meeting between the State Law and Order Restoration Council [SLORC], and state and division law and order restoration councils was held at 1300 today afternoon at the meeting hall of the army commander in chief's office. General Than Shwe, chairman of SLORC and commander in chief of defense services, attended and delivered the address.

The coordination meeting was attended by SLORC members, secretary-1, secretary-2, ministers, chairman of public services selection and training board, senior military officials from the Defense Ministry, regional commanders, divisional commanders, vice attorney general, vice auditor general, deputy ministers, chairmen of state and division law and order restoration councils, and responsible personnel. Lieutenant Colonel Pe Nyein, director general of the SLORC's office acted as secretary of the meeting.

In his speech, Gen. Than Shwe said this coordination meeting was to review the successes and failures, betterments and faults of previous activities and to draw programs for the future. He explained success will be achieved only if responsible personnel from the central organ and regional organs work together with good coordination. He noted the central organ drew the programs and rendered support and administration while responsible regional officials implemented the programs. He said because of the bilateral coordinated efforts of the central and regional organs, the situation of the country has improved.

The SLORC chairman also explained the emphasis is on the country's economy. For example, paddy cultivation in the agricultural sector is meeting with moderate success. He said the success was due to the active part played by regional administrative personnel in implementing the central programs and urged them to continue their good work. He said one can clearly say that success is achieved in implementing the economic year 1992-1993 as a direct result of a coordinated effort by the central and regional organs.

Gen. Than Shwe noted the economy of the country has risen to 1.3 percent in 1991-1992 and remarked it will obviously grow in 1992-1993. [passage omitted]

Next, chairmen of the Kachin, Kayah, Chin, Mon, and Arakan state law and order restoration councils and Sagaing, Tenasserim, Pegu, Magwe, and Mandalay division law and order restoration councils explained their various regional activities. The first day coordination meeting concluded at 1615.

Will Not Sacrifice Race, Culture

BK2602124993 Rangoon Burma Television Network in Burmese 1330 GMT 25 Feb 93

[Excerpts] The coordination meeting between the State Law and Order Restoration Council [SLORC] and States and Divisions Law and Order Restoration Councils continued for the second day at 0930 today at the meeting hall of the Army commander-in-chief's office. General Than Shwe, chairman of SLORC and commander-in-chief of the Defense Services, delivered the closing address.

The coordination meeting was attended by SLORC members, secretary-1, secretary-2, ministers, chairman of public services selection and training board, senior military officials from the Defense Ministry, regional commanders, divisional commanders, vice attorney general, vice auditor general, deputy ministers, chairmen of States and Divisions Law and Order Restoration Councils, and responsible personnel. Lieutenant Colonel Pe Nyein, director general of the SLORC's office acted as secretary of the meeting.

According to the agenda, chairmen of the Yangon [Rangoon] Division, Shan State, Northern Shan State, Eastern Shan State, and Irrawaddy Division Law and Order Restoration Councils explained their various regional activities.

The ministers then explained the preparations made by each ministry for the economic development of the country. They also discussed matters presented by States and Divisions Law and Order Restoration Councils.

After the discussion, Major General Khin Nyunt, secretary-1 of the SLORC, explained the political situation of the country. Later Maj. Gen. Tin U, secretary-2 of the SLORC, explained the structure and activities of district and township law and order restoration councils and the nation's economic situation.

After the explanations, Gen. Than Shwe, chairman of the SLORC, delivered the closing address. Gen. Than Shwe said the authorities from the central and local councils had frank discussions at this coordination meeting. He noted the discussions, which are oriented toward the country's development, reflected positive thinking. [passage omitted]

In catching up with other countries, he said we shall not go to the extent of sacrificing the pride of our race and heritage for economic progress. [passage omitted]. The meeting ended at 1645.

Philippine Trade Delegation Visits

*BK2502074493 Rangoon Radio Burma in Burmese
1330 GMT 24 Feb 93*

[Text] Mr. (Jose E.S. Regular Jr.), chairman of the Philippines International Trading Corporation, PITC, accompanied by Ms. Rosalinda V. Tirona, ambassador of the Philippines, and two other members called on Lieutenant General Chit Swe, minister for forestry affairs, at the latter's office at 1720 today. At the meeting, frank and cordial talks were held on the improvement of goodwill relations, bilateral cooperation on timber extraction, and timber-based industrial activities. Present at the meeting were responsible personnel from the departments under the Ministry of Forestry Affairs.

Calls on Industry-1 Minister

*BK2502150893 Rangoon Radio Burma in Burmese
1330 GMT 25 Feb 93*

[Text] Mr. (Jose E.S. Regular Jr.), chairman of the Philippines International Trading Corporation, PITC, accompanied by Ms. Rosalinda V. Tirona, ambassador of Philippines, and two other members called on Lieutenant General Sein Aung, minister for industry-1, at the latter's office at 1720 today. At the meeting, frank and cordial talks were held on bilateral economic cooperation and industrial matters.

German Trade Group Meets Trade Minister

*BK2502150093 Rangoon Radio Burma in Burmese
1330 GMT 25 Feb 93*

[Text] A high-level German economic and trade delegation led by Mr. (P.N. Schmidt) and accompanied by German Ambassador Mr. Von Marschall called on Major General Tun Kyi, minister for trade, at the trade ministry at 1330 today afternoon. At the meeting, frank and cordial talks were held on economic, trade, and improvement of bilateral trade matters.

Meets Planning Minister

*BK2502150693 Rangoon Radio Burma in Burmese
1330 GMT 25 Feb 93*

[Text] Brigadier General Abel, minister of national planning and economic development, received a high-level German economic and trade delegation at the Foreign Investment Commission Office at 0930 today. At the meeting, Brig. Gen. Abel explained in detail Myanmar's [Burma] economic and political developments prior to 1988.

Mr. (Peter N. Schmidt), leader of the German economic and trade mission, thanked the minister for his detailed explanations of the political and economic situation. He explained that the purpose of the mission's visit is to study Myanmar's economic and trade activities and to

exchange views with entrepreneurs. He noted that their purpose is also to study the joint Myanmar-German economic cooperation. Next, the German mission members inquired about banking, border trade, local investment, and monetary systems. Minister Abel supplied them with detailed explanations.

Discusses Investment

*BK2502152893 Rangoon Radio Burma in Burmese
1330 GMT 25 Feb 93*

[Text] A high-level German economic and trade mission led by Mr. (Peter N. Schmidt) and accompanied by German Ambassador Mr. Von Marschall called on Brigadier General Maung Maung, minister for Livestock Breeding and Fisheries, at the latter's office at 1400 today.

At the meeting, the German mission inquired about investment matters, with an intent to promote bilateral trade cooperation on Myanmar's expanded fish and shrimp export activities, the production and export of animal feed, and the production and export of honey.

Brunei, Malaysia & Singapore

Malaysia

Tokyo, U.S. To Help With Ozone-Safe Substances

*OW2402134593 Tokyo KYODO in English 1256 GMT
24 Feb 93*

[Text] Kuala Lumpur, Feb. 24 KYODO—American electronics giant Motorola Inc., together with Japanese and U.S. Government agencies, agreed Wednesday [24 February] to help Malaysian firms develop safe substitutes for harmful manufacturing solvents that affect the ozone layer, officials said.

Under the agreement, sophisticated technology to replace ozone-harming solvents used in manufacturing will be transferred to mainly small and medium-sized Malaysian firms unable to buy or develop such technology themselves.

The two-year "joint initiative" to eliminate ozone-depleting solvents was signed between Motorola, the U.S. Environmental Protection Agency, Japan's Ministry of International Trade and Industry, the Japan Electrical Manufacturers Association (JEMA), and the World Bank which will partly fund the project.

Malaysia's Science, Technology and Environment Minister Law Hieng Ding, who witnessed the signing, said the initiative will greatly help Malaysia meet internationally set target dates for elimination of ozone-depleting chemicals such as chlorofluorocarbons (CFCs) and halons.

Under the 1987 Montreal Protocol, industrialized nations are to phase out these substances by 1996, while developing countries are allowed a grace period until 2010.

The artificial gases and chemicals, whose uses range from aerosols to coolants, are blamed for thinning the ozone layer that protects the earth from harmful ultraviolet radiation from the sun which can cause skin cancers.

The joint project is part of a program promoted by the U.S.-based Industry Cooperative for Ozone Layer Protection (ICOLP)—a consortium of international electronics firms and government bodies devoted to sharing nonproprietary information with developing nations on technologies and processes deemed safe for the ozone layer.

ICOLP, formed in 1989, has similar technology transfer projects in other developing countries such as Thailand and Mexico.

Eiju Yokota, manager of the Ozone Layer Protection Office under Japan's Ministry of International Trade and Industry, said the Malaysian project is the second, after one in Thailand, in which Japan is involved.

A JEMA statement said the association's involvement reflects its cooperation in helping reduce ozone-harmful substances which are still being used by Malaysian subsidiaries of Japanese electronics and electrical firms.

Under the project, a conference to introduce ozone-safe solvent substitutes will be held in Kuala Lumpur in April, its participants to include Japanese electronics firms such as Hitachi, Ltd. Matsushita Electric Industrial Co., Sharp Corp. and Toshiba Corp.

Solvents are widely used in such processes as cleaning solder residue from printed circuit-boards in the electronics industry.

DPRK Trade Mission Urges Two-Way Trade

BK2602063693 Kuala Lumpur Voice of Malaysia in English 0600 GMT 26 Feb 93

[Text] North Korea, which does not have any joint ventures with Malaysia so far, says there is a tremendous potential to develop two-way trade with Malaysia. The leader of a North Korean economic mission visiting Malaysia, Mr. Kim Chong-yu, said this was in view of the country's strong growth rate coupled with [words indistinct] foreign investment. Potential areas for Malaysian-Korean ventures includes textile, shipping, electronics, machine building, and the automobile sector. He told a press conference in Kuala Lumpur that the six-member economic mission was able to get a valuable insight into Malaysia's economic and industrial policies, industrial promotion programs, banking and financial policies, and the privatization policy.

Singapore

German Chancellor Suggests Joint PRC Ventures

BK2502124293 Singapore THE STRAITS TIMES in English 25 Feb 93 p 40

[Text] Singapore can serve as a springboard for German companies interested in doing business in China and other parts of Asia said German Chancellor Helmut Kohl yesterday.

He also told Singapore businessmen that they should not be unduly worried by reports about attacks on foreigners in Germany, and assured them that the country was a safe place to live and invest in.

He made these points at a breakfast meeting with members of the local business community yesterday, just before leaving for Jakarta, which is the third leg of his Asian visit.

The German chancellor and his party had arrived in Singapore from India, and will go on next to South Korea and Japan, after Indonesia.

Speaking through a translator, Chancellor Kohl said Singapore was an ideal place for German companies to obtain information about China, which he believed would be successful in its economic reforms.

He also said it was extremely difficult for medium-sized German companies to move into Asia, and said a system whereby German companies can find local partners should be set up.

Referring to an observation by Haw Par Brothers' president and chief executive officer, Dr. Hong Hai, that German products were not well represented in China unlike those from the United States and Japan, he said this was the reason why German companies should team up with their Singapore counterparts to do business there.

Singapore businessmen had the experience and were familiar with China's language and culture, he said.

Dr. Hong Hai later told THE STRAITS TIMES that the German chancellor's proposals were sensible, adding that Haw Par was interested in such joint ventures.

Yesterday, Chancellor Kohl also said the former East Germany had the potential to be a major industrial centre like the Ruhr region in the West.

He described Eastern Europe and Russia as an area that had as much potential as China. "People have said—be patient with China, I now ask you to do the same with these other countries", he added.

Replying to a question on Germany's investment incentives, he said it was possible to receive subsidies on up to 50 percent of investments.

He also played down reports of anti-foreign xenophobia and violence against immigrants in Germany, stating that right wing radicals had a much lower level of representation in the German parliament vis a vis other European countries.

Foreign investments in Eastern Germany have been slow, accounting for about 10 percent of the total in 1991. The German economy as a whole has not been performing well since the absorption of East Germany, with growth this year projected at not more than 0.5 percent.

Government Survey on Overseas Investments Released

BK2402103193 Singapore THE STRAITS TIMES in English 24 Feb 93 p 40

[All dollar amounts in Singapore dollars]

[Text] Overseas investments by Singapore companies rose 23 percent to reach \$27.8 billion at end-1990, with direct investments soaring 41 percent to \$7.5 billion, a just-released government survey said.

Almost 90 percent of the investments were made in the Asian region.

The Department of Statistics' 1990 Survey of Singapore's Investment Abroad showed that a total of 2,293 companies here had invested overseas as at end-1990.

It did not cover banks, finance and insurance companies as these were covered separately in surveys conducted by the Monetary Authority of Singapore.

At current market value, Singapore's total investment abroad amounted to \$30.8 billion as at end-1990 or 10.6 percent above its value at cost.

Most of the direct investments were in the paid-up shares of overseas investment holding companies and in the subsidiaries and associated companies of manufacturing operations.

Around 36 percent of the companies that had invested overseas were themselves investment holding companies. Another 24.5 percent and 17.7 percent were from the commerce and manufacturing sectors respectively.

Companies in the business services, construction, and real estate sectors were highly diversified in their overseas direct investments.

Of the 2,308 companies established abroad, 34 percent were wholly-local owned, while 30 percent were majority-local owned.

Most of the investments were made in Asia. Around 57 percent were located in the ASEAN countries and 31 percent in other Asian nations.

Malaysia was the top host country, accounting for \$1.66 billion of direct investments by Singapore companies.

About \$860 million were in investment holding companies, while \$319 million were in manufacturing and \$273 million in commerce.

Hong Kong was next, attracting \$918 million of direct investments by Singapore companies. Of that, \$484 million were in investment holding companies, \$191 million in manufacturing, and \$105 million in construction.

New Zealand was host to \$803 million of direct investments from Singapore, almost all of which were in investment holding companies. It was followed by the Netherlands, which attracted \$620 million, the bulk being in business services.

Portfolio investments abroad by Singapore firms climbed 38 percent to \$7.6 billion at end-1990, due mainly to the rise in purchases of bonds and debentures.

Capital transactions of Singapore companies with overseas operations, consisting of loans and outstanding intercompany accounts, jumped 42 percent to \$5.4 billion.

Other foreign assets of Singapore companies, which included investments in properties and money deposits abroad, fell by 9.5 percent to \$7.3 billion.

Strong 4th Quarter Pushes 1992 Growth to 5.8%

BK2502123693 Singapore THE STRAITS TIMES in English 25 Feb 93 p 1

[By Chan Hwa Loon]

[Text] A strong fourth quarter expansion helped the Singapore economy grow by 5.8 percent last year and has generated expectations that it would do even better this year.

The finalised growth figure for 1992, released by the Ministry of Trade and Industry yesterday, was 0.2 percentage point higher than the 5.6 percent estimated earlier.

The higher forecast for this year—details of which will be announced by Finance Minister Dr. Richard Hu during his budget statement tomorrow—is due to better growth prospects in the United States and the region.

Noting that the Singapore economy "has basically weathered the storm last year", a ministry spokesman said growth is expected to be stronger particularly in the second half of this year when the U.S. economy recovers.

The spokesman was speaking at an 8 a.m. press briefing on the 1992 Annual Economic Survey of Singapore.

The ministry had projected 1992 growth at 5.5 percent in November and Prime Minister Goh Chok Tong had announced on 31 December that last year's growth had come in at 5.6 percent.

Asked for his assessment of President Clinton's U.S.\$30 billion short-term fiscal stimulus package, the ministry spokesman said Singapore is not likely to be affected significantly by it. More important, however, are the longer term implications of the Clinton Administration's policies.

"They would cause long-term interest rates to go down and stimulate infrastructural development, competitiveness, research and development. This will possibly re-energise the U.S. economy, enabling it to play a locomotive role further down the road and also possibly dampen protectionistic measures," he added.

The United States buys a fifth of Singapore's total exports and more than a third of its non-oil exports.

The economic survey, which contained a section on the progress of the Strategic Economic Plan, said Singapore is "roughly on track" to becoming a developed country within the next 20 to 30 years. The plan was drawn up in 1991 to help the republic achieve developed nation status over the next two or three decades. The government's long-term target for annual economic growth is 4-6 percent.

Reviewing last year's sectoral performance, the ministry said construction again turned in the best performance with a 17.6 percent growth, while manufacturing registered the slowest growth.

Manufacturers, however, expect a moderate rise in export orders this quarter and a moderate improvement in their business in the first half.

The commerce sector expects business to "remain stable", while the transport and storage, and financial services sectors are optimistic about the first half.

Inflation fell to 2.3 percent from 3.4 percent in 1991. The price rise was due mainly to domestic factors as imported goods were generally cheaper because of the strong Singapore dollar.

Signs of slower economic growth were evident in the labour market last year.

Real wages, which take inflation into account, rose 5.5 percent compared to 6.6 percent in 1991. The rise in real wages again outstripped the 3.1 percent productivity growth.

The unemployment rate was 2.7 percent in June last year, compared with 1.9 percent previously.

On balance, 31,300 more jobs were created, half the 1991 figure. The construction sector accounted for most of this, while manufacturing suffered a net loss of jobs.

The stock market greeted the news positively yesterday, with the Straits Times Industrials Index rising to a record high of 1,677.64. Dealers said the market was also driven upwards by expectations of a pro-business budget to be announced tomorrow.

Explaining investors' bullishness, a research manager said: "The fourth quarter grew smartly by 7.4 percent compared to 5.6 percent in the third quarter and 4.7 percent in the second quarter. This acceleration indicates that growth momentum is in full swing."

Contacted yesterday, Dr. Ong Nai Pew, research director of Union Bank of Switzerland (Equities), said he expected the first half of this year to be stronger than the second half. "We will come off the peak of the electronics cycle in second half."

He added that the strong exports to Europe would decline as Europe was "so weak". And even if Japan stages a recovery this year, it would not come back with a roar.

Cambodia

Khmer Rouge Holds Up More UN Peacekeepers

BK2602092493 Hong Kong AFP in English 0917 GMT
26 Feb 93

[Text] Phnom Penh, Feb 26 (AFP)—Khmer Rouge guerrillas held up a group of U.N. peacekeepers at gunpoint and stole their trucks and radios, the second such incident in a week, a U.N. spokesman said Friday.

"There is a disturbing pattern which involves the theft of U.N. property," spokesman Eric Falt said. "It is unacceptable that anybody, let alone a faction that signed the Paris peace accords, would shamelessly exert undue pressure on U.N. personnel through armed threats." The matter will be reported to the U.N. Security Council in New York, he said.

Khmer Rouge spokesman Mak Ben denied the incident, saying such stories were being concocted with "ill political intention." "We reject this kind of slanderous accusation," he said.

The hold up occurred Thursday about 30 kilometers (19 miles) northwest of the Angkor temple tourist destination in the northwest Cambodian province of Siem Reap, Falt said.

The peacekeepers—military officers from Brunei and Russia plus a Bangladeshi police officer and their Cambodian interpreter—had gone to investigate a ceasefire violation in a Khmer Rouge area.

When they arrived at a pre-arranged meeting place, they were informed that they could leave the area only if they left their two four-wheel drive trucks and hand-held radios behind, Falt said. The team tried unsuccessfully all afternoon to negotiate their release.

Finally, the guerrillas forcibly "took possession of the property, forcing the U.N. personnel out," the spokesman said. No one was injured in the armed confrontation and the Khmer Rouge drove away, he said, giving no further details. The stranded team was rescued by a U.N. helicopter, Falt said.

The vehicles were the third and fourth reported to have been handed over to the Khmer Rouge at gunpoint in the last two months.

'Sources' Say French UN Official To Quit

BK2602150293 Hong Kong AFP in English 1457 GMT 26 Feb 93

[Text] Phnom Penh, Feb 26 (AFP)—The head of the civil administration branch of the U.N. peacekeeping operation in Cambodia, Gerard Porcell, is quitting April 1, before the United Nations' mandate here is over, U.N. sources said. His contract expires on that day and he will not be renewing it, they said.

Porcell has been critical of the inability of the U.N. Transitional Authority in Cambodia to get the Khmer Rouge to cooperate with U.N. peacekeepers, and his frustration led to his decision to go, the sources said.

The French civil servant was in charge of taking full control of Cambodia's five key areas of governance—information, defence, finance, foreign affairs and public security—as mandated by the 1991 Paris peace accords.

His branch was widely criticised for not having full control, and he consequently lamented non-cooperation on the part of Cambodians for his restricted role. Porcell was in the northwest province of Siem Reap for the weekend and could not be reached for comment.

Vietnamese Troops Allegedly Sent to Koh Kong

BK2602012093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 25 Feb 93

[Excerpt] Sources among people in Sre Ambel District, Koh Kong Province, say that in mid-February the Hanoi Yuon [Vietnamese] dispatched 40 new soldiers to Sre Ambel District office. The sources also add that these Yuon aggressor forces are members of the Communist Party of Vietnam and military commanders whose ranks range from second lieutenant and lieutenant to senior lieutenant colonel.

The Hanoi Yuon have dispatched to Sre Ambel District office these 40 troops disguised as civilians, whose task is to control puppet and Yuon soldiers in the entire Sre Ambel District. These officers are giving orders and also directly taking part in the 15th dry-season offensive against the resistance forces and in attacks against villages to kill people and destroy their houses and other property. The reports say that since the arrival of these 40 commanders, attacks, robberies, and killings have steadily increased. [passage omitted]

SRV 'Hit Squad' Said Operating in Northwest

BK2602103093 Hong Kong AFP in English 1020 GMT 26 Feb 93

[Text] Phnom Penh, Feb 26 (AFP)—The Khmer Rouge alleged Friday that a Vietnamese hit squad is operating in northwest Cambodia in an attempt to destabilize upcoming U.N. elections.

"The Vietnamese aggressors and the Phnom Penh regime's army and police forces continue to poison and maintain a climate of fear and terror everywhere," said spokesman Mak Ben.

"Of late in Battambang, the Vietnamese aggressors have established a new set of special forces with the task of committing acts of political terrorism before, during and after the elections," he said.

Mak Ben said the forces were code named "Ninja," made up entirely of Vietnamese agents, and "Special Security" and "Special Army." He said the Khmer Rouge had proof of the forces' operation due to the "insecurity, day and night," in the northwest province, but he did not elaborate.

On the issue of 4.7 million people who registered to vote in the U.N.-run elections scheduled for May, he said that of the total, 1.3 million registered voters were Vietnamese.

"The Cambodian people have used every pretext to avoid the registration by UNTAC," the U.N. Transitional Authority in Cambodia, he said.

"Only the Vietnamese settlers are eager to participate in the elections," he said, adding that the United Nations had already determined the outcome of the polls in advance. He predicted that the Phnom Penh government will receive 70 percent of the vote, while other parties will split more than 20 percent.

"Under such circumstances, the UNTAC organized elections would only result in rubber-stamping the Vietnamese occupation of Cambodia, because the "Assembly" and the "government" to be formed therefrom would be placed under the Vietnamese control, with the blessing of the U.N.," Mak Ben said.

The Khmer Rouge believe Vietnamese troops still occupy Cambodia, even though Hanoi says they withdrew 10 years after invading to oust the Khmer Rouge in 1979. UNTAC can find no proof of Vietnamese armed forces in Cambodia.

Phnom Penh Leaders 'Traitors', 'Lackeys'

BK2602012493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 25 Feb 93

[Excerpt] Reports from Udong district in Kompong Speu province say that the puppet police of the Yuon [Vietnamese] are currently scaring people saying that the

registration to become members of the puppet party is nearly complete; those who have not yet registered should do so and that anyone found without the puppet party's membership cards will be fined \$100.

The people say that this a flagrant violation of the Cambodian people's rights, freedom, and democracy. The Yuon and their puppets are using all means to maintain the Yuon's puppet regime in power in order to continue occupying Cambodia and running the country, because they have clearly realized that the Cambodian people have rejected Chea Sim, Hun Sen, Heng Samrin, Tie Banh, Hor Namhong, Pol Saroeun, and so on—traitors and lackeys of the Yuon. [passage omitted]

Khmer Rouge Attack District Police Station

*BK2602143393 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
26 Feb 93*

[Text] Khmer Rouge elements from the 93d regiment fired 39 rounds from 80-mm mortars and DK-75 guns on the police station at Kompong Russei commune in Chi Kreng district of Siem Reap-Oddar Meanchey Province on 21 February. As a result, a house was burned and many cattle were killed. This action clearly shows that the Khmer Rouge have never cared about people's lives.

Khieu Samphan Interviewed on Elections, UNTAC

BK2502153593 Jakarta TEMPO in Indonesian 20 Feb 93 p 72

["Excerpts" of interview by TEMPO Weekly Magazine correspondent Yuli Ismartono with Khmer Rouge leader Khieu Samphan in Phnom Penh; date not given]

[Text] [Khieu Samphan] We are afraid that the military situation in Cambodia will deteriorate.

[Ismartono] You accused the UNTAC [UN Transitional Authority in Cambodia] as having failed to operate its military mission to control the escalating violence in Cambodia. But UNTAC has fulfilled its duty to verify that there is no evidence of foreign forces inside Cambodia. It is said that it is your faction that is creating problems for the Supreme National Council to be truly representative for not attending its meetings regularly.

[Khieu Samphan] I have often raised these problems, either directly to Akashi [UNTAC chief] or at the SNC meetings. Akashi also mentioned that UNTAC's team on troops verification is not efficient to verify whether foreign forces exist in the country.

I have been attending the SNC meetings but I regard them as just a waste of effort. After the meetings, the Phnom Penh regime never observed the agreements reached. The SNC meetings had never achieved anything concrete. The people who attended the meetings just came to talk with one another. The fact is, there is no cooperation between UNTAC and the SNC. I am not the only person who feels this way, even Sihanouk makes

noises over this issue. He is considered as a figurehead being exploited by the Phnom Penh regime to gain political legitimacy. I do not see any concrete effort to give Sihanouk a real role and authority in the country. It was once decided that in order to give Sihanouk power to rule Cambodia, a presidential election should be held prior to the general elections. Now Sihanouk has changed his mind. This is because he realizes that he is not sure whether or not he could gain any power as long as the situation in the country is not changed.

[Ismartono] Actually, what is your opinion on the holding of the presidential election?

[Khieu Samphan] Considering the dangerous situation in Cambodia, we are lending support to Sihanouk. To guarantee the formation of the people's representative council that is comprised of real representatives of the people, the general elections should be held within a neutral, peaceful, and orderly atmosphere.

[Ismartono] What if Sihanouk's party wins the general elections and your party is invited to join the new government in Cambodia?

[Khieu Samphan] That is only a supposition. It is not possible for the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] to win in the elections under the current conditions. The Vietnamese are everywhere. The Vietnamese, either military personnel or civilians, are still active in Cambodia and directing the Phnom Penh Government in all aspects of running the country, from the most important issue at the highest level to the very simple, lowest villages' level. This is what Akashi meant by citing "unofficial channels" in the Phnom Penh Government. Therefore, my conclusion is, if general elections are implemented in Cambodia, that would be the elections created by Vietnam and not arranged by UNTAC.

[Ismartono] So what is the Khmer Rouge going to do?

[Khieu Samphan] I am confident that the people will not accept the outcome of the general elections. The situation in Cambodia will be seen more clearly after the general elections. Beginning from now until the general elections, several problems will crop up.

[Ismartono] Such as?

[Khieu Samphan] I know people are making all kinds of speculations about the outcome of the elections. Supposedly, even if the FUNCINPEC wins in the national election, I am sure that the Phnom Penh regime and Vietnam are behind it. It would be impossible for them to relinquish power without any resistance. Probably, Vietnam will not give up its strategy to colonize Cambodia. In view of this fact, from now on the Phnom Penh regime has been preventing FUNCINPEC from the possibility of winning in the elections by resorting to acts of terrorism, to scare the FUNCINPEC party and another faction under the leadership of Son Sann.

[Ismartono] So do you think it is better to cancel the general elections, or to postpone the date?

[Khieu Samphan] Holding the elections under the current situation is the same as putting Cambodia on a golden platter and presenting it to Vietnam. This is a tragedy. UNTAC should realize this possibility and carry out its mission to prevent it. If UNTAC remains passive, I can foresee many problems that will arise prior to the holding of the general elections.

I feel that a general election that is implemented just anyway will not solve any problem. The Paris peace accords should be implemented effectively, to pave the way for free and fair general elections.

Commentary Views UN Election Predictions

BK2602062193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 25 Feb 93

[Unattributed commentary: "Exposing the deceitful propaganda of the Yuon, their puppets, and allies inside and outside UNTAC, according to which the Yuon's puppets would win the elections by how many percent and the puppets would share power with other parties"]

[Text] The Yuon [derogatory term for Vietnamese] aggressors, with allies inside and outside UNTAC [UN Transitional Authority in Cambodia] behind them, have recently spread deceitful propaganda through their puppets saying that the Phnom Penh puppets would win the elections by this or that percent and that they would share power with various parties this or that way. What is the truth concerning all of this?

The general situation in Cambodia at present reveals the truth as follows:

I. The Yuon aggressor forces still remain on Cambodian soil. Old Yuon soldiers are still here and new Yuon soldiers have been flowing into the country. To this day, the old and new Yuon forces are over 2 million strong; that is, one-fourth of the entire Cambodian population. Over 1.3 million of these Yuon hold Cambodian identity cards and have already been registered by UNTAC to vote in the elections.

II. The majority of these Yuon aggressor forces are members of the Yuon party, military, and civilian cadres that the Hanoi Yuon have systematically brought in and established from Vietnam. Their task is to control all sectors of the puppet party and all the Yuon forces in Cambodia. These Yuon aggressor forces give orders and have directly participated, along with the puppet troops, in launching the 15th dry season offensive against the resistance forces. They also carry out political terrorist and fascist activities to oppress, intimidate, threaten, and kill the Cambodian people and harm the various political parties.

Concerning the above situation, the Cambodian nation and people clearly realize that there is as yet no neutral political atmosphere for holding elections. Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC], has successively said and confirmed in his statements dated 13 and 14 December 1992, as well as at later dates, that there are political terrorist and fascist activities and murders occurring that are aimed at harming various political parties and this has plunged the Cambodian situation into complete darkness.

More recently, on 14 February, the prince clearly pointed out that he will not run in the elections because he realizes that the situation is not secure. The prince is of the opinion that if elections are held under such conditions, then the resulting assembly would be a Yuon assembly and the government would be a Yuon government. He adds that such elections would only legitimize the Yuon's aggression in Cambodia.

The situation is in a terribly dark state and yet UNTAC continues to insist on organizing elections without listening to the views of the Cambodian nation and people. UNTAC behaves this way in order to assist the Yuon aggressors and their puppets in crushing the resistance forces in an attempt to maintain the puppet regime, to preserve the Yuon aggressor forces, and to allow them to continue occupying Cambodia indefinitely. This is why the Yuon aggressors and their allies inside and outside UNTAC have ordered the puppets to spread this deceitful propaganda, namely, that the puppets would score this or that percentage of the votes.

This goes hand in hand with the propaganda that UNTAC and its accomplices have endeavored to spread about the number of people who have been registered to vote. Since November 1992 they have even determined the election results. They have insisted that elections should be held and that the results should be as follows:

1. The Phnom Penh side would receive 70 percent of the votes;
2. The other two parties would receive over 20 percent; altogether, this would be over 90 percent of the votes.
3. Eliminate Democratic Kampuchea through the electoral process.

The Yuon aggressors and their puppets and allies inside and outside UNTAC do this with the same political goal in mind, that is, to maintain the Yuon's puppet regime, and through this, to maintain the Yuon forces and allow them to continue committing aggression against and occupying Cambodia.

III. As for the propaganda of the Yuon's puppets saying that they are willing to share power with various parties after the elections, this is propaganda to fully deceive the national and international public.

The Yuon's puppets spread this propaganda in order to dupe others into believing that they are flexible, and

through this, to win sympathy from the people so that they will get votes. However, the Cambodian people are not so stupid as to support and vote for the Yuon's puppets. The people will not go to the polls because the Yuon are everywhere in Cambodia. The Cambodian nation and people do know the true nature of the Yuon's puppets. The Yuon's puppets are the same as the Yuon aggressors. The Yuon aggressors will not hand over power to any other parties and will keep it only for their puppet party.

In fact, the Paris agreement clearly says that the SNC should be given the central role and power, but the Yuon aggressors have refused to let their puppets do that. On the contrary, the Yuon and their puppets, with UNTAC behind them, are working together to alter the four-party agreement into a one-party agreement—that party being the Yuon's puppet party—and to include other parties within the side of the Yuon's puppets.

This is the reason that since the 23 October 1991 Paris agreement the SNC has been given no rights or power; it is only an empty shell. On this issue, Prince Norodom Sihanouk, head of state and SNC chairman, clearly said in his 17 February 1993 statement that the SNC has no power whatsoever, and that he too, as SNC chairman, also has no power whatsoever.

DPRK Vice President Talks With Chea Sim

*BK2502151493 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
25 Feb 93*

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and National Assembly of the State of Cambodia [SOC], held talks with H.E. Yi Chong-ok, DPRK vice president, at Chamka Mon State Palace on the morning of 25 February. Attending the meeting were H.E. Kong Sam-ol, member of the Standing Committee of the CPP Central Committee and vice chairman of the SOC Council of Ministers, and several other officials from various economic institutions and the CPP office. Also present were Mr. (Chong Kim-ul), deputy chairman of the DPRK Economic Committee, and H.E. Kim Hyong-yol, DPRK ambassador to Cambodia. It is worth recalling that the DPRK has resumed diplomatic ties with Cambodia since May 1991.

Meets Sihanouk

*BK2602092593 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
26 Feb 93*

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council, received a high-ranking DPRK delegation led by His Excellency [H.E.] Yi Chong-ok, DPRK vice president, at the Tevea Vinichai pavilion on the evening of 25 February.

Speaking on this occasion, HRH Prince Norodom Sihanouk expressed happiness and welcomed the official visit by H.E. Yi Chong-ok to Cambodia, which is a major and historic one testifying to the firm, friendly, and fraternal relations between the two countries. The prince also said the visit is taking place when solidarity and the all-round cooperation between the two countries are developing.

HRH Prince Norodom Sihanouk praised and highly valued Korea's all-round development under the clear-sighted leadership of Marshal Kim Il-song, beloved leader of the Korean people. He also thanked H.E. Kim Il-song, who has not only provided sincere assistance to the Cambodian people's just struggle, but also contributed to the political solution of the Cambodian problem in order to bring about peace and national reconciliation.

HRH Prince Norodom Sihanouk said the Cambodian people are always with the Korean people and fully support the clear-sighted patriotic and wise policy of H.E. Kim Il-song to peacefully reconcile and unite the nation.

Replying, H.E. Yi Chong-ok highly valued the progress of the political solution to the Cambodian problem and praised HRH Prince Norodom Sihanouk for his efforts to overcome all obstacles in the search for peace and national reconciliation. H.E. Yi Chong-ok firmly believed that with various political parties and the entire Cambodian people agreeing to follow the prince, Cambodia will certainly avoid a bloody war and rebuild a new motherland which is independent, peaceful, neutral, and prosperous. He added that he will do all he can to further expand and strengthen the friendship and solidarity, and cooperation between the two countries and people.

Sihanouk Receives Japanese Humanitarian Mission

*BK2602081393 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
25 Feb 93*

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk, head of state, father of the nation, and chairman of the Supreme National Council of Cambodia, granted an audience to a Japanese humanitarian delegation led by Mr. (Miumri Akeshi), chairman of (Roval Rudoshi) company in Khemarin Palace at noon on 24 February. Also present were His Excellency Kong Sam-ol, vice chairman of the Council of Ministers and minister in charge of the Council of Ministers office; Dr. Mi Samedi, deputy health minister and secretary general of the Cambodian Red Cross Committee; and Mr. Truong Meali, chief of HRH Prince Norodom Sihanouk's office.

The delegation informed the prince head of state about its visit to Cambodia as a humanitarian organization and its donation worth \$30,000 to the invalid, miserable children, and poor people.

The prince head of state expressed his appreciation for the humanitarian aid and allowed the delegation to distribute the donated supplies directly to those needy compatriots.

Hor Namhong, UNICEF Executive Director Meet

*BK2602090993 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
25 Feb 93*

[Text] During his visit to Cambodia, His Excellency [H.E.] James P. Grant, executive director of UNICEF, held talks with H.E. Hor Namhong, foreign minister of the State of Cambodia [SOC] and member of the Supreme National Council, on the afternoon of 24 February. After welcoming the UNICEF executive director, H.E. Hor Namhong said for more than 14 years, UNICEF has provided a significant quantity of aid to the SOC, contributing significantly to the development of the entire Cambodian society in the wake of the destruction perpetrated by the genocidal Pol Pot regime. He added that UNICEF was the very first humanitarian organization that has come and assisted the Cambodian people—especially in the educational, health, and agricultural sectors—and orphans since mid-1979.

H.E. Hor Namhong suggested that UNICEF should continue its operation in Cambodia especially to help develop Cambodia's rural areas. He also spoke about the current difficult and complicated situation in Cambodia created by the Khmer Rouge rebels, who continue to sabotage the international efforts to assist in the rehabilitation of Cambodia.

In his reply, H.E. James P. Grant said his visit constituted a good opportunity for him to thoroughly evaluate UNICEF's assistance to Cambodia. He also disclosed that the organization had a broad plan to alleviate the sufferings of the Cambodian people, specifically after elections.

Indonesia

Suharto, Kohl Discuss Human Rights

*LD2502144293 Hamburg DPA in German 1323 GMT
25 Feb 93*

[Text] Jakarta (DPA)—Chancellor Helmut Kohl and a German parliamentary group have been briefed on the human rights situation in Indonesia. Kohl told journalists in Jakarta today, at the end of his three-day visit, that he explained to President Suharto that the international discussion on the observance of human rights was "not simple". The chancellor said he addressed the subject on his own initiative, "as is normal among friends."

In conjunction with this discussion, a German group of parliamentarians from the Bundestag were briefed on

the human rights situation in Indonesia in talks with humanitarian groups and legal aid and lawyer organizations.

Juergen Ruetters, parliamentary business manager for the Christian Democratic Union/Christian Social Union Bundestag group, said they heard about various violations which cannot be immediately investigated by the deputies. Witnesses, who could not reveal their names in public for security reasons, said that certain people living abroad were not allowed to return to Indonesia. Furthermore, according to the parliamentarians, there were cases of land seizures without compensation and the prevention of international contacts with organizations such as "Bread for the World" and "Misereor".

Gerlinde Haemmerle, the Social Democratic Party parliamentarian, mainly complained that the prisoner aid organization Amnesty International was banned in Indonesia. She reported that, according to information from Indonesian opposition groups, the events of November 1992 in East Timor has not yet been completely cleared up. The army shot 150 people after the visit of Pope John Paul. They were told that 60 people are still missing.

Free Democratic Party Deputy Uwe Luehe reported after his talks that the army members responsible had been sentenced, but it was uncertain whether punishments had been carried out.

Kohl: Indonesia May Address G-7 Summit

*LD2502154693 Hamburg DPA in German 1336 GMT
25 Feb 93*

[Text] Jakarta (DPA)—Indonesia will probably be spokesman for the nonaligned states at the next economic summit in Tokyo in July. This was hinted at by [German] Chancellor Helmut Kohl to journalists in Jakarta today at the end of his three-day visit to Indonesia and talks with President Suharto.

Kohl, who is expected in Japan on Friday, said, however, that inviting a country is a matter for all the seven nations taking part in the Tokyo summit. As the organizer, Japan has to do the inviting.

Indonesia would be—after the invitation which is expected for Russia—the second nation to have the opportunity to speak at the economic summit.

The chancellor also said that thanks to the agreed closer economic cooperation, Germany is willing to offer Indonesia state-of-the-art technology. Trade between the two states has quadrupled over the past few years. In 1992 this stood at around 5 billion [German] marks [DM]. Indonesia receives a good DM100 million a year as development aid.

Following a visit to Suharto's farm outside Jakarta, Kohl stressed the "particularly friendly relations" with Indonesia on the occasion of his third visit. He recalled that about 10,000 students and trainees have been trained in Germany and that Suharto was the first head of state to

visit Bonn after German reunification. Kohl and a German group of parliamentarians also briefed themselves on the human rights situation in Indonesia.

Earlier State Secretary Hans-Peter Replik from the Ministry for Economic Cooperation signed a credit agreement for DM110 million. The low-interest loan will be used mainly to supply energy in Bali and Sumatra. An agreement was also signed on cooperation in environment projects.

Suharto, Kohl Sign Credit Agreement

*LD2502103593 Berlin N-TV in German 1000 GMT
25 Feb 93*

[Text] Germany will grant credit to Indonesia. Federal Chancellor Helmut Kohl and Indonesian President Suharto signed an agreement in Jakarta on financial cooperation totaling 110 million [Deutsche] marks. The loan will be used to improve energy supplies. Indonesia's President Suharto told Kohl he would like to be an observer at the next G-7 summit in Tokyo.

Paper Discusses Spread of Private TV Stations

*BK2502103693 Jakarta THE JAKARTA POST in
English 17 Feb 93 p 4*

[Editorial: "It All Comes From Television"]

[Text] Asked once what had caused the stunning collapse of communism in Eastern Europe, Polish leader Lech Walesa pointed to a nearby television set. "It all came from there."

Yes, television has helped topple totalitarian governments and promote global democracy. It has also—for better or for worse—led a modern Crusade, spreading pop culture over the entire world. Spurred by technological advances and the worldwide trend toward privatization, a global TV economy is growing at a blistering rate.

For instance: more than 1 billion TV sets now populate the globe—a 50 percent jump over the last five years. The number is expected to continue growing by 5 percent annually—and by more than double that in Asia, where half of the world's population lives.

Worldwide spending for television programming is now about US\$65 billion, and the tab is growing by 10 percent per year. The number of satellite-delivered TV services around the world is more than 300 and climbing rapidly. Global "super channels" such as MTV reach hundreds of millions of households, while CNN is seen in some 137 countries.

Indonesia is also under the onslaught of these powerful global and borderless television networks. And as of today, Australian Television International (ATI) starts broadcasting its programs through satellite to Indonesia and 13 other Asian countries.

There is no record on how many households in Indonesia currently have the capability to hook up to these international broadcasts, but surely, in the coming years, the number of people who can afford to install parabolic antennas will jump by several times, thus making them "possible victims" of the marauding global image.

Apparently, the government has come to the conclusion that it is impossible to stop the onslaught and that the best way to ward off the negative impact of these foreign broadcasts is by allowing more private domestic television companies to broadcast nationwide. Last week, it was announced that five more private television companies had been licensed to broadcast nationwide besides the existing four private television broadcasters RCTI [Rajawali Citra Televisi Indonesia], SCTV [Surabaya Citra Televisi Indonesia], TPI [Televisi Pendidikan Indonesia] and AN-Teve [expansion unknown].

To be frank, we are a bit pessimistic that this strategy will work. From what we have seen of the domestic broadcasters, for instance RCTI and SCTV, most of their programs are products from America or production houses, which have been dubbed by many people here as "unfit" for the job. And judging from quite a number of complaints from many expatriates here, some of these programs are perceived as having too many scenes of sex and violence, which should never be broadcast in the daytime when children could be watching.

Hence, we suggest that the government urge the existing private television companies to speed up their plans to produce their own programs to gradually end their dependence on foreign producers. Of course, it would be advisable that this domestic programming be up to a standard that will be attractive to Indonesian viewers and competitive with foreign programs.

And, speaking of television policy, we heartily applaud the government's decision to allow private television stations to produce their own news programming, a move, which according to director general for Radio, Television and Film Alex Leo Zulkarnain, will be effective before the end of this year.

There is no question that the decision is a breakthrough since it will end the government's monopoly on news production which it has clung to steadfastly for more than 30 years. Of course, we have, as yet, no idea of the quality of the news programs the private television stations will produce, or to what extent they will enjoy freedom, but undoubtedly the policy will have a positive impact on the democratization process here. Some people believe it will bring more transparency to the Indonesian democracy.

Of course, in the ensuing fiercer competition between private television companies and the printed media firms for advertising revenue, some publishers will be severely hurt and could collapse. Moreover, as has happened in other countries, the printed media is bound to lose many of their readers as more and more people—

particularly the younger generation—develop a stronger liking for watching television rather than reading newspapers.

We do not know exactly what this process will produce, but if it is the price that we have to pay for a speedier democratization process, surely we have no other choice. What we need now is some kind of guarantee that in the end we really will get the expected reward, otherwise the sacrifice that we have to make will seem like far too much for nothing.

E. Timor Rebel Confirms Witnesses' Testimony

BK2502154493 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 25 Feb 93

[Text] Xanana Gusmao, the captured East Timor GPK [Security Disturbance Movement] leader, today confirmed the testimony given by prosecution witnesses. Gusmao made the confirmation to chief judge Hironymus Gondang at the ninth session of his trial in the Dili court.

During the session, (Endang Supardi) and (Endro Sipit Kesra), acting on behalf of the public prosecutor, presented two witnesses, namely (Luis Vera) and (Gulyano da Silva). Similar to earlier sessions, (Endang Supardi) and Sujono, Gusmao's defense counsel, did not ask many questions. The two witnesses also confirmed the report prepared by the trial investigators so today's session proceeded smoothly.

ZOPFAN Review Urged Due to PRC Moves

BK2602023193 Jakarta MERDEKA in Indonesian 17 Feb 93 p 4

[Editorial: "The ZOPFAN Concept Should Be Reviewed"]

[Text] A Southeast Asia enveloped within a zone of peace, freedom, and neutrality or ZOPFAN remains relevant for Indonesia. Indonesia's stand was reaffirmed during a workshop that ended in Bandung last Saturday. The workshop was sponsored by the Department of Foreign Affairs.

Indonesia is in the forefront of efforts to translate the ZOPFAN concept into reality within the framework of ASEAN because it believes that the concept of a nuclear weapon-free zone remains relevant amid uncertainties in the post-cold war era.

Perhaps, it was because the theme of the two-day workshop was "Indonesia's Role in Realizing ZOPFAN and SEANWFZ [Southeast Asia Nuclear Weapons-Free Zone]" [preceding title in English], that the workshop urged Indonesia to more actively convince ASEAN of the paramount importance of turning Southeast Asia into a stable and sovereign zone free from external threats, conflicts, and foreign interference. This is understandable because ASEAN member countries still differ

on the ZOPFAN concept. Singapore and Thailand, for example, still support a U.S. military presence in Southeast Asia.

In anticipation of the U.S. withdrawal from Subic Bay in the Philippines, Singapore was quick to offer the United States access to its naval ship repair facilities. Malaysia, which fathered the ZOPFAN concept, and the United States are exploring the possibility of setting up a naval ship repair facility in Lumut.

B.J. Habibie, Indonesia's minister of state for research and technology, once offered facilities belonging to P.T. PAL [National Shipyard] for repairing U.S. warships. However, Major General Aminullah Ibrahim from the Armed Forces of the Republic of Indonesia faction in the House of Representatives said that the offer was at Habibie's own initiative and not Indonesia's.

Indeed, the current situation in the world, especially in Southeast Asia, is very much different from that in the 1970's when the then Indonesian foreign minister, Prof. Mokhtar Kusumaatmaja, asserted the importance of the ZOPFAN concept. The current situation is even very different from that in 1984 when Australia and New Zealand put forward the idea of setting up a nuclear-free zone in the Pacific. For example, during the workshop, Hasnan Habib [ambassador-at-large for the Americas] remarked on the changes by saying that it did not cross our minds that Britain, France, and the PRC remained nuclear powers after the cold war ended. Even Russia continues to own nuclear weapons that used to belong to the Soviet Union.

Lt. Gen. (Retired) Subiyakto, former governor of the National Defense Institute, who is an expert on PRC military affairs, said that we should reevaluate that country's defense and security policy following the United States' withdrawal from the Philippines and the end of the cold war.

"We must realize that we are still weak in such a defense concept," Subiyakto said. "For 500 years, this region has been dominated by foreign superpowers."

According to Subiyakto, Japan and China are the first two countries that must be watched, while China is the one showing the greatest interest in Southeast Asia. He cited the PRC strategy of expanding its influence by setting up defense links with Burma and continuing to give aid to the Khmer Rouge in Cambodia.

The PRC is building strong, modern military force. It is in fact not needed in the absence of a threat from any country in the world and because its nearly two billion [as published] people are poor and backward. This assumption is justifiable because the facts speak for themselves. Moreover, nuclear-powered submarines continue to roam the waters around the ASEAN countries. We cannot detect, let alone, prevent their movement.

If an aircraft carrier that the PRC has acquired from Ukraine is finally manned by PRC commanders, then it will surely roam the South China Sea. Beijing showed its stern attitude recently when it warned Bangkok that the PRC would not stand idle if Thailand invited Nobel Peace laureate the Dalai Lama of Tibet to visit the country. If the aircraft carrier equipped with nuclear warheads finally goes into operation, the disputed Spratlys will lose their strategic nature because Beijing will hold all the cards.

Apart from this, it has been a fact from time immemorial that a country that wants peace must be combat-ready. This is an axiom that applies to anyone, anytime, anywhere. That is why a question has emerged: Shouldn't the ZOPFAN concept be reviewed?

Road To Link Irian Jaya, Papua New Guinea

BK2502015693 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 25 Feb 93

[Text] In the middle of this year, the Indonesian Government will build a road on the northern coast of Irian Jaya leading to Papua New Guinea in anticipation of the official opening of a land route between the two countries. Ujang Suhaidi, head of the Irian Jaya Provincial Office of the Department of Public Works, said in Jayapura yesterday that a permanent bridge would also be built across the Tani River which flows through the territories of Indonesia and Papua New Guinea. Under an agreement between the two countries, a (?90) kilometer-long road will be built to link Sandau Province in Papua New Guinea with Jayapura District. The road will also link several large cities in Papua New Guinea with Irian Jaya.

Paper Views Development of PNG Ties

BK2502041993 Jakarta SUARA PEMBARUAN in Indonesian 13 Feb 93 p 2

[Editorial: "Bilateral Relations Between the Republic of Indonesia and Papua New Guinea"]

[Text] The third state visit by Papua New Guinean [PNG] Prime Minister Paias Wingti to Indonesia is of special significance for the development of bilateral relations.

Talks during each visit by the PNG prime minister virtually center on border problems. In this connection, we can understand why President Suharto stressed in his speech during a state banquet in honor of Prime Minister Paias Wingti on Wednesday (10 February) that the two countries should give major attention to the common border.

The president warned that the border problems could lead to a disharmony in relations between the two countries if they were not properly handled. However, the president admitted that some progress had been

made since the signing of memorandums on amendments to the basic border agreement between the Republic of Indonesia and PNG.

We must accept the reality that the Indonesian-PNG border is not just a common border between two neighboring countries in which such matters as immigration procedures or smuggling are involved. The border is also a source of political concern as well. Politically, border crossings by the Free Papua Movement [OPM] can become a potential source of tension. The border areas have become a hideout for elements of the banned organization even though this situation is clearly against the will of the two countries.

Several areas along the Indonesian-PNG border have at least become a buffer zone [preceding two words in English] for the OPM guerrillas. If a security operation is conducted in Indonesian territory, they will cross the border and hide in PNG territory or they will illegally cross into Indonesian territory if a mopping-up operation is under way in PNG.

There have been fears that frequent military operations conducted by the Armed Forces of the Republic of Indonesia against the subversive elements in these border areas are part of a territorial ambition. In the wake of this error, President Suharto correctly stated during his talks with Prime Minister Paias Wingti at Merdeka Palace on Thursday (11 February) that neighboring countries should not be worried over Indonesia's military buildup because it is solely for self-defense.

According to President Suharto, a policy of nonaggression is enshrined in the 1945 Constitution. Thus, Indonesia has no intention at all of threatening its neighbors.

On the other hand, it must be admitted that people living along the artificial border inherited from the Netherlands, Britain, Germany, and finally Australia, which governed Papua New Guinea as a UN trust territory, have sociocultural similarities. They are of a Melanesian background. Thus, it is not impossible that border crossings are attributed to the sociocultural similarities shared by the local population.

The situation along the border between the Republic of Indonesia and PNG will remain a source of concern if we fail to properly understand the security and sociocultural aspects. In other words, the two aspects must be given due consideration.

In addition, the two sides should create a climate conducive to efforts to open a new horizon of cooperation—bilateral economic cooperation, for example. In particular, cross-border legal trade must be enhanced.

After various border problems have been handled in a more positive manner, it is now time to develop bilateral relations into economic cooperation beneficial to both sides. This can be anticipated from the composition of the PNG delegation. Six of the seven ministers accompanying Prime Minister Paias Wingti to Indonesia are in

charge of economic affairs—trade, industry, agriculture, animal husbandry, manpower, housing, and energy. Also, the fact that 158 businessmen are accompanying the PNG prime minister has indicated that the greatest emphasis of the state visit is on economic cooperation.

Laos

Resolution of National Assembly Session Read

BK2502143393 Vientiane Vitthayou Hengsat Radio Network in Lao 0852 GMT 25 Feb 93

["Resolution of the Inaugural Meeting of the Third National Assembly"; read by Chaleun Yiapaoheu, member of the National Assembly Standing Committee, at the closing session of the inaugural meeting on 25 February—live]

[Text] Respected Mr. Chairman; respected distinguished foreign and local guests; respected members of the National Assembly: long live the Lao People's Democratic Republic [LPDR], peace, independence, democracy, and unification!

The resolution of the Third National Assembly:

The inaugural meeting of the Third National Assembly has been convened in Vientiane capital from 20 to 25 February under the chairmanship of Thongsing Thammavong, chairman of the Second Supreme People's Assembly, and Saman Vi-gnaket, chairman of the Third National Assembly. Attending the meeting were 85 members of the National Assembly, members of the Political Bureau of the Lao People's Revolutionary Central Committee [LPRP CC], advisors to the LPRP CC, members of the LPRP CC, members of the government, representatives of the people of all strata, intellectuals, members of the diplomatic corps, and representatives of many international organizations.

After carefully and thoroughly studying and discussing many issues, the meeting unanimously agreed:

1. to endorse the report on the outcome of the elections and to confirm the qualifications of members of the Third National Assembly defined by the National-level Election Committee as proposed by Somsavat Lengsavat;

2. to elect Saman Vi-gnaket, member of the LPRP CC Political Bureau, chairman of the Third National Assembly, Khambou Sounisai and Vongphet Saikueyachongtouna, vice chairmen of the Third National Assembly, and the Third National Assembly Standing Committee comprising seven members—Saman Vi-gnaket, Khambou Sounisai, Vongphet Saikueyachongtouna, Chaleun Yiapaoheu, Dr. Khamliang Phonsena, Dr. Somphavan Inthavong, and Professor Phou Latsaphon; and to endorse the structure of the apparatus of the Third National Assembly comprising six commissions and chiefs and deputy chiefs of the said commissions, namely, the Secretariat Commission, the Commission

for Legal Affairs, the Commission for Economy, Planning, and Finance; the Commission for Cultural and Social Affairs, the Commission for Ethnic Minorities Affairs, and the Commission for Foreign Affairs.

In addition, the meeting also endorsed the appointment of members of the Third National Assembly to each of the said commissions and the appointment of the Inter-parliamentary Committee of the LPDR comprising 25 members with Dr. Khamliang Phonsena as chairman and Viset Savengsuksa as vice chairman.

3. The meeting elected Nouhak Phoumsavan, member of the LPRP CC Political Bureau, president of the LPDR as proposed by Saman Vi-gnaket, chairman of the Third National Assembly.

4. The meeting discussed and endorsed the appointment of Khamtai Siphandon, prime minister of the LPDR as proposed by LPDR President Nouhak Phoumsavan. At the same time, the meeting also discussed and approved the structure of the apparatuses of the LPDR government organizations comprising 16 ministries and ministerial-level committees; and discussed and endorsed the formation of the new LPDR government comprising 18 members as proposed by LPDR Prime Minister Khamtai Siphandon.

5. The meeting discussed and endorsed the socioeconomic development plan for the years to come as well as the year 1993 of the LPDR Government as proposed by Khamphoui Keoboualapha, deputy prime minister of the LPDR and chairman of Committee for Planning and Cooperation. The meeting discussed and endorsed the 1993 state budget of the LPDR government as proposed by Kamsai Souphanouvong, minister of finance.

6. The meeting deliberated on and endorsed the Law on the National Assembly as proposed by Khambou Sounisai, vice chairman of the National Assembly and chief of the Commission for Legal Affairs of the Third National Assembly. The meeting expressed overwhelming gratitude toward respected and beloved President Kaysone Phomvihane, leader and founder of the LPRP and leader and founder of the Lao People's Army and the LPDR, who passed away while performing the glorious and noble tasks for the country. The meeting expressed firm and resolute determination to continue the cause of President Kaysone Phomvihane to the end. In addition, the meeting also hailed the multiethnic people who constantly maintain a sense of vigilance against subversive schemes of all hostile forces, hold aloft the spirit of patriotism and the love of the people's democratic regime, contribute to building the country to attain stability and unity, thereby gradually improving our people's living conditions. The meeting hailed the multiethnic people for holding aloft a sense of mastery by casting ballots to elect their representatives to the Third National Assembly to ensure the exercising of their democratic rights and freedom.

The meeting appealed to all compatriots of all strata, ethnic groups, and economic enterprises both from state

and private sectors to stand ready to implement and translate into reality together the government's socioeconomic development plan in the years to come, thus making the socioeconomic situation of the country gradually advance forward and improving the living conditions of our people. At the same time, the meeting called on all organizations and localities to take good care of the health of mothers and children and to inoculate women and children under the target at an increasing percentage.

The meeting called on all compatriots, including Lao people living overseas, to strengthen the unity in order to build and defend the country together to gradually become rich and strong and to make the new life of our people more plentiful and richer.

The meeting expressed profound thanks and highly valued the precious support and assistance from friendly countries and international organizations as well as private organizations toward our people's cause toward the country. The meeting expressed unanimous determination to remain honest, faithful, and loyal to the country, the people, and the new regime and to continue implementing the party's restructuring policy and the constitution of the LPDR, aimed at ensuring the broadening and exercising the people's democratic rights. At the same time, the meeting expressed determination to honorably participate in activities in the international arena for the cause of peace, independence, friendship, and cooperation.

[Dated] Vientiane, 25 February

The inaugural meeting of the Third National Assembly.

Saman Vi-gnaket Delivers House Closing Speech

BK2602121993 Vientiane Vitthayou Hengsat Radio Network in Lao 0904 GMT 25 Feb 93

[Speech by Saman Vi-gnaket, chairman of the Third National Assembly, delivered at the closing session of the inaugural meeting of the Third National Assembly held in Vientiane on 25 February—H. C.]

[Text] Respected presidium of the meeting;

Respected distinguished local and foreign guests;

Beloved members of the National Assembly:

As we are closing the inaugural meeting of the National Assembly, we are deeply grieved to have received a report that Sisomphon Lovansai, advisor to the Lao People's Revolutionary Party Central Committee [LPRP CC] and the government, former member of the LPRP CC Political Bureau, and chairman of the First Supreme People's Assembly, passed away at 2205 on 24 February 1993.

Sisomphon Lovansai was a senior gallant revolutionary fighter and a party and state leader who committed great virtuous deeds toward our country and people. To

express our respect and profound gratitude toward him, I invite all delegates and distinguished guests to stand up and bow in silence for one minute to commemorate his passing away. [silence for one minute]

Respected personages, the inaugural meeting of the Third National Assembly was majestically opened in Vientiane capital and has worked for six days with a brilliant success. This meeting marks a new transformation in organization and activities of the National Assembly from being an assembly for drafting the constitution and other laws to one playing the roles stipulated in the constitution of the Lao People's Democratic Republic [LPDR]. At the same time, this meeting constituted a new step of development of the political regime in our country, aimed at building Laos with peace, independence, democracy, unification, and prosperity. Throughout the six hectic days, each member of the National Assembly has concentrated all efforts and wisdom to studying, discussing, and approving many issues which are related to the implementation of the guidelines and policies of our party and state and to the restructuring movement in a profound and allround manner in conformity with the reality in the country.

The glorious success we have attained in the inaugural meeting constitutes an answer to the aspirations of the people of all strata and ethnic groups as well as the attention of the international community, especially the Interparliamentary Organization. Our meeting had the honor to hear a speech by LPDR President Nouthak Phoumsavan who pointed out the direction for the activities of the Third National Assembly and who profoundly analyzed the responsibilities and roles of the National Assembly as an organization representing the rights and interest of the people and a legislative organization inspecting and controlling the performance of the government and the judiciary organization. President Nouthak Phoumsavan also pointed out the proud initial success of the restructuring policy on the basis of ensuring the democratic rights and the rights to mastery of the people of all strata and ethnic groups.

Our meeting heard a report on the success of the elections and confirmed the qualifications of the Third National Assembly as defined by the National-level Election Committee. Our meeting appropriately studied the structure of organization of the Third National Assembly and elected the chairman, vice chairmen, and members of the National Assembly Standing Committee to be the staff in performing the tasks of the National Assembly, aimed at meeting the needs of the political duty in the new period and conforming to the process of restructuring in our country.

To fulfill the fundamental tasks of the legislative body as the highest organization of state power and to actively contribute to the task of defending and building the country for the happiness and wealth of the multiethnic people, the meeting considered and endorsed the appointment of the Interparliamentary Committee of the LPDR to make noble contributions to the activities

in the international arena for peace, independence, friendship, and cooperation.

Our meeting has elected the president of state, endorsed the appointment of the prime minister and the structure of the LPDR Government to continue administering the country along the direction of restructuring in a comprehensive and profound manner.

Our meeting heard a report presented by the LPDR Government on the implementation of the 1992 socioeconomic development plan and state budget, the direction of the socioeconomic development plan in the years to come, and the 1993 state budget. The meeting agreed to endorse the said plans and budget which conform to the actual requirements of socioeconomic development and serve to gradually improve and raise the living standard of the people, aimed at continuously building and developing the people's democratic regime.

In studying and discussing various issues at the meeting, each member of the National Assembly held aloft a sense of political responsibility and took the initiative expressing frank and open views to further enhance democracy. This is a phenomenon clearly reaffirming the new qualifications of the members of the National Assembly who have been elected to the highest organization of state power.

The strenuous performance of this meeting has created favorable conditions for the National Assembly to reach agreement on various important issues on the basis of unity toward the restructuring policy of the party and state. The success of this meeting clearly displays the traditional unity and unification of our people on the basis of firmly adhering to our chosen ideals.

To further transform the success of this meeting into reality, I call on all members of the National Assembly to hold aloft their sense of political responsibility as representatives of the multiethnic people. After concluding this meeting, all members have the duty to take this success to the people in their respective constituencies for acknowledgement in order to mobilize and encourage the people in all localities to implement and translate the resolution of this meeting into reality.

On this auspicious occasion, on behalf of the Third National Assembly, I would like to hail our compatriots of all strata and all ethnic and age groups throughout the country for holding aloft the spirit of patriotism and the love of the new regime and for exercising the rights to mastery and fulfilling the legitimate obligations of all Lao citizens by exercising their democratic rights to elect their representatives to the highest organization of state power. This phenomenon clearly shows the political alertness of our Lao people toward their (?own) responsibility in the people's democratic regime which is being incessantly built and enhanced.

I call on all compatriots both at home and abroad to unite as one in implementing the guidelines and policies

of the party, the constitution, and all laws and regulations of the state so as to ensure the legitimate rights and interests of the country, the entire masses, and those of their own.

In the immediate moment, I call on all cadres and compatriots to actively participate in defending and building their own country to become gradually a richer and stronger entity, to pay attention to continually improving the material and spiritual life of our people.

Once again, I would like to express my profound thanks to all party and state leaders and distinguished guests for spending your precious time to attend this meeting. I would like to thank all diplomats of the friendly countries and representatives of the international organizations for participating in this meeting, thereby creating a great encouragement to us.

Amidst this joyous atmosphere and glorious success, I henceforth declare to officially close the inaugural meeting of the Third National Assembly.

Thank you.

Regulations Issued on Mourning for Sisomphon

BK2602021193 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Feb 93

[Text] Based on the agreement of the Lao People's Revolutionary Party [LPRP] Central Committee, the National Assembly, the Government of the Lao People's Democratic Republic [LPDR], and the Lao Front for National Construction [LFNC] Central Committee, the Funeral Committee has issued the following mourning regulations to express gratitude to and grief for Comrade Sisomphon Lovansai:

1. Organize mourning ceremonies throughout the country for five days, from 25 February to 1 March 1993. During the mourning period, no banquets, parties, or entertainment programs of any type are allowed to be held.
2. Various party and state organizations and mass organizations, ranging from the central down to the grassroots levels, embassies, consulates, as well as representation offices of the LPDR in foreign countries are to fly the national flag at half-mast.
3. In Vientiane, arrangements will be made to pay homage to the remains for three days, from 26 to 28 February—from 0900 to 1200 for the morning session and from 1430 to 1700 for the afternoon session. The remains of Comrade Sisomphon Lovansai will be placed at the main hall of the Office of the party Central Committee and the Prime Minister's Office at the Na Haideo area. Various organizations and services in Vientiane, business production units, educational institutes, and other organizations, as well as fraternal people of all strata and relatives near and far, are requested to arrange

for their representatives to pay homage to the remains of Comrade Sisomphon Lovansai at the fixed dates and times mentioned above.

4. The mourning ceremony and funeral will be held on 1 March 1993.

[Signed] The Funeral Committee

Nouhak Phoumsavan Receives Letter From 'Arafat
BK2402102893 Vientiane KPL in English 0913 GMT
24 Feb 93

[Text] Vientiane, February 24 (KPL)—Lao PDR [People's Democratic Republic] President Nouhak Phoumsavan has recently received a letter from PLO leader Yasir 'Arafat informing the Lao president about the situation in the Palestinian occupied territories, Gaza, Khan Yunus, Tamon [placename as received], and in other Palestinian cities, villages and camps.

The letter indicates that Israeli forces have used helicopters and heavy weapons to destroy houses and opened fire on unarmed people in those areas, causing injuries to 900 people and death to 28, most of them children.

The PLO leader in his letter calls on the Lao Government to support efforts to put an end to such crimes and atrocities committed by Israeli forces against Palestinians in those areas.

Leaders Receive Visiting UNICEF Director
BK2402102493 Vientiane KPL in English 0909 GMT
24 Feb 93

[Text] Vientiane, February 24 (KPL)—Lao PDR [People's Democratic Republic] President Nouhak Phoumsavan yesterday received at the Presidential Palace the visiting executive director of UNICEF, Mr. James P. Grant.

The Lao president and the UNICEF executive director discussed the [word indistinct] and cooperation between Laos and this UN agency.

Mr. James P. Grant reaffirmed that UNICEF will continue its assistance to Laos in medical equipment, vaccine and vaccine storage equipment.

The president said the visit to Laos of the UNICEF mission demonstrated the UNICEF's concern over the life and future of the Lao children.

On the same day morning, the UNICEF executive director and his party also paid a visit to Phoun Sipaseut, vice prime minister in charge of foreign relations, who is also president of the National Commission for Mother and Children. During its visit, the UNICEF mission handed over a mother breast feeding project to the Mahosot hospital. The UNICEF has a plan to help build this hospital as an hospital for "babies" designed to make the people aware of the importance of raising

children with mother breast [milk]. With the UNICEF support, the project will start operation as of 1993.

More Refugees Return From Thailand 19 Feb
BK2602100893 Vientiane KPL in English 0913 GMT
26 Feb 93

[Text] Vientiane, Feb 26 (KPL)—The administration of Vientiane Province on Feb 19 received 12 families of Lao refugees consisting of 46 people who voluntarily returned home from Nong Seng and Napho refugees' camps in Thailand.

This year the province is expected to receive 180 more returnees who have their native homes in this province.

Last year, UNHCR [UN High Commissioner for Refugees] provided a 12 million kip worth of assistance to Vientiane Province for building a refugees' welcome centre.

Philippines

Government To Conclude Trade Pact With Mexico

HK2502141293 Manila BUSINESS WORLD in
English 25 Feb 93 p 20

[Text] The Philippines will enter into an agreement with Mexico on the elimination of tariff and non-tariff barriers to promote bilateral trade, Malacanang announced yesterday.

President Ramos ordered the Department of Foreign Affairs to conclude a bilateral trade agreement with Mexico, as proposed by the North American country.

The trade pact between Mexico and the Philippines could serve as the country's spring-board to the North American Free Trade Agreement (NAFTA), said Antonio Basilio, the Philippines' commercial counselor to the United States.

Both Government and the private sector have warned that the NAFTA could loosen the Philippines' foothold on the U.S. market because of the agreement's rigid local content requirement and exclusive tariff privileges for member countries. The U.S. is the country's biggest export market, eating up 39

of the Philippines' \$9.7 billion in exports last year.

The Department of Trade and Industry (DTI) identified the following exports as the most likely to be affected by the NAFTA: garments valued at \$1 billion; footwear valued at \$52.6 million; luggage and handbags valued at \$35.6 million; sugar valued at \$113.5 million; and canned tuna valued at \$20.9 million.

Mr. Basilio said "good relations with Mexico" will bode well for the country. "Because of the NAFTA, their

economy will boom, so it would be good to have good relations with them," he said.

President Ramos also agreed to reactivate the Air Transport Agreement concluded by the two governments on November 16, 1952 "so that the respective national airlines that may be designated can cover the routes agreed upon."

As proposed by Mexican Ambassador to the Philippines Vicente Luis Coca Alvarez, during his presentation of credentials to the Chief Executive, Government will accept Mexico's wish to "contribute to the solution of the energy problems in the Philippines."

This will be done through the Federal Commission of Energy of Mexico, which is willing to "prepare joint projects in the production of geothermal energy, making use of the exchange of experiences that both countries have successfully developed."

In the area of investments, "important Mexican firms producing beer, cement and glass are interested in forming joint ventures with their Filipino counterparts."

A delegation from the firm, Cement of Mexico, will hold talks with high officials of Philippine firms that import and produce cement on Feb. 26 to March 2.

Editorial Notes U.S. Negotiator's Candor

HK2602050893 Quezon City MALAYA in English
26 Feb 93 p 4

[Editorial: "Armitage Strikes Out"]

[Text] Richard Armitage, who negotiated the Philippine-U.S. treaty extending the life of the U.S. bases which the Philippine Senate rejected, has been sacked by the Clinton administration from his job as coordinator for humanitarian aid for the countries of the former Soviet Union.

His offense: He publicly predicted the imminent downfall of the government of Russian Boris Yeltsin, who he said was "just about at the end of his usefulness." While praising Yeltsin as a man of "enormous personal courage," he criticized him for lacking a "grand vision" and the ability to work well with his parliament. "Not unlike (former Soviet President Mikhail) Gorbachev," Armitage said, "his days are somewhat numbered." Yeltsin's term of office does not expire until 1996.

Not surprisingly, Armitage's remarks caused consternation within the Clinton administration, and we can only guess how they must have struck Yeltsin and his government. A state department spokesman quickly made clear his comments did not reflect the government's views. Retribution was swift, and his replacement was named at the same time he was dismissed.

Armitage admitted later that he had been "injudicious."

He was back in the news here when a newspaper published an article he had written recounting the bases negotiations from his perspective. He then submitted to an interview where he has described himself as "frank" and "candid" and said, "what you see is what you get." He certainly was frank in initiating a death watch on Yeltsin's government.

He also said he was setting up some kind of a service that would provide U.S. and foreign companies with continuing information on business developments and trade. This would begin to operate, he said, "as soon as we disentangle ourselves from this administration in several months." On this he was dead wrong: He was disentangled within a week's time.

A remarkable feature of Armitage's articles recounting the bases negotiations was the repeated statement that Cory Aquino's administration did not enjoy a shred of support in the U.S. government, not at White House, not at Capitol Hill. He said he was surprised to discover that many Filipino officials, including some bases negotiators, didn't and couldn't believe this. "Our Philippine interlocutors never understood," he said, "the low regard in which the Philippine government was held by the U.S. Congress and the U.S. administration."

This seems an extremely cruel statement to make now in the light of Mrs Aquino's heroic, beyond-the-call-of-duty efforts to try to save the treaty from Senate rejection. Who can ever forget that farcical, humiliating march to the Senate's premises that she, this country's president, led to uphold the interests of a foreign country as much as those of her own? And yet now we are being told that the country's government didn't think two cents of her and her administration. Didn't she know?

Ironically, Armitage may be reading the current situation in Russia far more accurately than he ever assessed the thinking and mood of the Senate during the bases talks. No less than Yeltsin's own spokesman, Mikhail Poltoranin, head of his Federal Information Center, has admitted that the Russian leader's opponents have reduced him virtually to a figurehead ruler much like the queen of England. He said Parliament's attacks on Yeltsin's powers, engineered by its chairman, Russian Khasbulatov, were encouraging breakaway trends in Russian's regions and could lead to the country's disintegration.

And last Tuesday, to observe Defenders of the Fatherland Day (which used to be Soviet Armed Forces Day), a crowd estimated at 10,000 to 30,000 demonstrated in the heart of Moscow to denounce Yeltsin and openly urge the armed forces to rise up against him. One report called it the biggest pro-Communist demonstration in months, and what added to its significance was the fact that the marchers included some of the accused leaders of the August 1991 coup attempt intended to consolidate Communist rule.

Yeltsin has been trying to push through Parliament legislation calling for a national referendum in April to let the people decide the extent and scope of the President's powers. He has conceded, in effect, that right now

the legislature is in the driver's seat while he sulks forlornly at the back. But he seems confident that the majority of the Russian people continue to support him.

Armitage doesn't agree, and he may be absolutely right. But he was absolutely wrong, of course, in saying so out loud, especially considering the sensitive position he occupies in administering humanitarian aid to Russia and other former fragments of the old USSR. If he was frank and candid during the bases negotiations, he should have kept his mouth shut this time.

Government Supports Japan's UNSC Bid

HK2602055293 Manila BUSINESS WORLD in English 26 Feb 93 p 26

[Report by Jose G. Ebro]

[Text] Heightened concern about the unpredictability of the regional security picture, rather than simply a desire to curry favor with Tokyo prior to President Ramos's forthcoming state visit, is behind recent Philippine statements supportive of Japan's inclusion into the UN Security Council [UNSC].

Foreign Affairs Secretary Roberto Romulo yesterday declared that "the fact that Japan, and Germany, despite their contributions to the UN and their role in global affairs, are not members of the UN Security Council, is in itself a strong indication that the UN system is flawed."

Mr Romulo is conveniently dovetailing Philippine support for Japanese membership into a call to "review the UN Charter." The "Developed world acted, after World War II, with a lot of clout, leverage and bullying. But, now, it can no longer ignore the developing world the way it did in 1945," Mr Romulo remarked.

"How is Asia represented in the UN Security Council? Only by China," Mr Romulo pointed out.

"There is a need to look at the UN budget vis-a-vis the Japanese contribution. There is a need to ask if the Japanese role in the UN is commensurate to its economic power," the foreign secretary said.

Envoy to Tokyo Domingo Siazon pointed out that Japan ranks second to the U.S. in contributions to the UN budget. "The U.S. puts in 25%, Japan pays 12.5%, and Germany contributes 9% of the total UN budget," he said.

"We've got to be realistic. For the UN to function properly, it's got to have financial support. IOUs can only go so far. It's just logical to expect that the ones who put in the money should have full participation in the UN decision-making process," Mr Siazon said.

"Of course," Mr Romulo said, "it is the Japanese people who must ultimately decide the extent of their role in the UN and the world. They must look at history and their role in it." It was a hint that Japan's taking on a greater

military posture should be accompanied by a commitment not to repeat the mistakes of its adventurism in World War II.

Along with broader scope for including developing countries in the UN's security deliberations, Mr Romulo is calling for the abolition of a Permanent 5 member's power of veto. "The veto is an anachronism. It just stalls things. It doesn't make anything work," he said.

Regional security analysts have pointed to China's veto as a hindrance to the UN's ability to deter it should Beijing seek to flex its muscles in the region. "Japan is worried about China. An economically dynamic China, means a much stronger China," one pointed out. As such, Japan's effectivity as a counterweight to China could only be enhanced by its membership in the Security Council.

A Philippine diplomat recounted that Japanese officials had pointedly quizzed Mr Romulo, during his recent visit to Tokyo, about Manila's fears of Chinese moves in the Spratlys. Mr Romulo reportedly pretended to be unconcerned.

"On the other hand, the Japanese show themselves to the Chinese as the 'good guys' whenever the Americans make noises against Beijing," the diplomat said.

An Asean diplomat, referring to recent reports that Chinese President Yang Shangkun and current National People's Congress chairman Wan Li are to be replaced when the Chinese Parliament meets next month, warned that "the succession struggles in China have already begun."

American officials have repeatedly aired concern about China's nuclear capability and its continued exports of weapons and missile technology to Third World "rogue" countries.

In a recent interview, a source in the International Atomic Energy Agency [IAEA] expressed the belief that Japan's "decision to move into the 'plutonium cycle' rather than the 'uranium cycle' for its nuclear power plants...has strategic overtones."

According to the IAEA sources, "by the year 2030, Japan would have more plutonium than Russia and the U.S. combined," pointing out that the enriched plutonium is "only one step away from weapons-grade."

"I think Japan is extremely worried about not just China, but both North and South Korea," the IAEA source said.

At its present rate of spending, Japan already has one of the most capable and well-armed armies in the world, military analysts say. Should a power-projection role come about for Tokyo in the future, officials would like to make sure that the Philippines is on its good side.

Basilan State of Calamity Declared*HK2202015293 Manila DWIZ Voice of the Filipino
People's Radio in Tagalog 2200 GMT 21 Feb 93*

[Text] President Ramos has placed the province of Basilan under a state of calamity as fighting continues between the military and Muslim bandits believed to have been responsible for the massacre of 25 soldiers. The move was recommended by several government officials and Defense Secretary Renato de Villa as Basilan residents flee their homes as fighting continues between military troops and Muslim rebels.

The president has also released 1 billion [figure as heard] Philippine pesos to answer the needs of the displaced residents and has ordered an accounting of the houses allegedly torched by the military in the province. It was earlier reported that government troops burned down several houses in their search for Muslim bandits. However, the military continues to deny the reports.

Ramos Issues P1 Million in Aid*HK2202032493 Manila BUSINESS WORLD in
English 22 Feb 93 p 11*

[Report by Maricar Bautista]

[Text] Zamboanga City—Two weeks after the massacre of 21 Marines and four militiamen in Basilan, the Army's Southern Command (Southcom) yesterday said it will continue searching for members of the Moro National Liberation Front (MNLF) lost command which was allegedly responsible for the incident.

As this developed, President Ramos declared a state of "man-made calamity" in the area for the burning of several houses of villagers in a barangay in Basilan. Mr. Ramos initially released P1 million [Philippine pesos] for the area.

"We have no timetable but we will not stop until we have accounted for the last criminal," Southcom chief Lt. Gen. Romeo Ruiz told reporters in a briefing here.

Brig. Gen. Guillermo Ruiz, Marine commander, said there have been six encounters with rebel elements since the military started search operations for the MNLF rebels. The latest, he said, were three encounters the other day right after an inspection of the area by Interior and Local Government Secretary Rafael M. Alunan III.

He said the Marines encountered the rebels in three separate areas in Tuburan, where the massacre happened. He said around 10 rebels were killed from the encounters, while three military men were wounded.

Gen. Ruiz also denied reports that his troops burned houses in the barangay, displacing residents. On the contrary, he said, the fact that houses of rebels were spared is an indication that the torching was done by the rebels to put pressure on government troops. "Our troops never burned houses. Perhaps they (rebels) are doing that to generate support," he said.

Although the military claims the MNLF and MILF (Moro Islamic Liberation Front) rebellions are declining, Gen. Zulueta admitted there was an increase in the number of MNLF forces last year compared with the 1991 level.

And in Basilan, repored Philippine National Police chief superintendent Job Mayo, there is a heavy concentration of MNLF forces. The PNP has estimated loose firearms in the province at 7,228.

Gen. Ruiz said "the enemy" continues to avoid them but vowed the military will not stop its operations until it has captured or killed all 125 Muslim rebels who massacred the Marines and militiamen.

Gen. Zulueta also told reporters that he had asked residents of Tuburan to go back to their homes and assured them that the military will protect their barangay.

Thailand**MiG-29 Offer, Rice-for-Weapons Barter Rejected***BK2602010393 Bangkok BANGKOK POST in English
26 Feb 93 p 1*

[Text] Russian-made MiG-29 Fulcrum fighters will not be procured by the Air Force, according to Air Force Chief of Staff ACM [Air Chief Marshal] Samat Sotsathit. ACM Samat yesterday said the Air Force already has US-made F-16 Fighting Falcon fighters and has no need for additional warplanes. The Air Force is not interested in the Russian offer, he said.

Although Malaysia is planning to procure a squadron of MiG fighters, the Air Force will not even procure and deploy the MiG-29 fighter on an experimental basis, said the chief-of-staff.

"We can't afford to buy anything at will. The people's money should be put to good use," ACM Samat said.

The Air Force chief-of-staff said the economic condition must be taken into account whenever we plan to procure high-budget warplanes. Apparently, ACM Samat's comment followed the reported Russian offer, through the Thai ambassador in Moscow, to trade MiG-29s with Thai rice and other goods. Russia has already bought 500,000 tons of rice from Thailand.

Malaysia, which is planning to procure 30 MiG-29 fighters from Russia will be the first country in Southeast Asia to deploy Fulcrum jets. Vietnam, which relies heavily on Russian weapon systems, does not have MiG-29s. But military sources said MiG-29s have never been combat-proven. In terms of size and capability, the MiG-29 fighter is comparable with the US-made F-16 fighter. However, the Russian fighter's avionics and onboard systems are simpler than those of F-16, the sources said. The sources added that India, not Russia, is

the regional supplier of MiG-29 spare parts. The 1991 Paris air show saw a MiG-29 fighter crash nose-down seconds after takeoff.

Meanwhile, talks have begun with Moscow to trade Thai agricultural produce for Russian-made arms.

Prime Minister Chuan Likhai said yesterday he had been informed by the Russian Ambassador talks had already taken place with private sector interests.

"Thailand needs to exchange farm products with something which can be used by both countries, such as steel," said Mr Chuan. "But Russia argues that steel is a product which could make a very good sale, so it proposed the exchange of weapons which are difficult to sell."

The Premier said he had heard reports that Russia wanted to pay off its debts with MiG-29 jet fighters, but he did not know the details.

Deputy Foreign Minister Surin Phitsuwan said he knew nothing about the report that Russia wanted to repay its debt for 500,000 tons of Thai rice with the jets. He said Thailand would be unable to accept such an offer but it would consider accepting crude oil or jewels as a form of payment.

Iran Agrees To Buy Rice; Russian Deal Settled

*BK2602012193 Bangkok BANGKOK POST in English
26 Feb 93 p 28*

[Text] Iran has agreed to buy 220,000 tons of top-grade rice from Thailand for about 1.53 billion baht, with two years' credit and 7.25 percent interest, with delivery over the next five months.

Announcing the deal, Commerce Minister Uthai Phimchaichon said a further sale of 180,000 tons is also being negotiated, bringing the total to 400,000 tons. No price has been agreed on the second deal.

Contracts have not yet been signed for either of these deals. Mr Uthai said Iran does not want to sign right now because it is already committed to buying 150,000 tons from private Thai exporters. Signing new contracts now would commit Iran to almost 600,000 tons, Mr Uthai said.

According to Commerce Ministry sources, the rice is to be bought by the Government Trading Corporation of Iran, whose director general, Mahmoud Ardakani, headed negotiations with Thailand.

Rice trading sources say the price agreed for the 220,000 tons—\$272.5 per ton for the 100 percent white rice—is "very low", particularly when the conditions of sale, known as "Iranian terms", are taken into account.

Iran normally requires quality inspections both in Thailand, when the rice is loaded, and in Iran, when it is unloaded, even though the sale is FOB (free on board, strictly speaking for delivery on board ship in Thailand and excluding shipping and insurance costs). Exporters

calculate the cost of the Iranian terms to be about \$7 per ton, bringing the real value of the deal down to about \$265.5 per ton.

The trading sources do expect that the sale will activate the Thai market and encourage domestic prices to rise.

Mr Uthai also announced that Russia has agreed to pay \$17 million (433.5 million baht) owed to Thailand under an earlier deal as an initial instalment, followed by another \$30 million (765 million baht). Once these two instalments have been paid negotiations for a further sale of rice to Russia can begin, he said.

The minister also said that negotiations to barter Thai rice for Philippines fertiliser have been postponed.

Commerce Minister Meets With U.S. Ambassador

BK2502151793 Bangkok Army Television Channel 5 in Thai 1200 GMT 25 Feb 93

[Text] Thailand has been under pressure from the United States to solve certain problems in trade relations, especially concerning service trade and intellectual property. Commerce Minister Uthai Phimchaichon said he discussed the problem with the U.S. Government today when U.S. Ambassador David Floyd Lambertson called on him to express the United States' deep concern over copyright violations. Thailand, besides, has not allowed operation by an insurance company with American stake of up to 80 to 90 percent. Uthai said he explained to the United States that the government had made continuous efforts to solve the problem, with strict law enforcement carried out. Uthai said the Commerce Ministry will send its permanent secretary for talks with the United States in the middle of March.

[Begin Uthai recording, in progress] ... has called on us to express concern that there has been no progress made by Thailand regarding violation of the patent and copyright law. We told the United States that there had been some progress made and that we have been strict concerning law enforcement. We noted that the reports they received might not be full or clear enough. This made it look like Thailand has done nothing to improve the situation. He also said there are still plenty of pirated audio and video tapes. Well, I told him that we have too many roads and lanes to check. [End recording]

Official Suggests Ways To Combat 'Pirated Tapes'

*BK2602030193 Bangkok THE NATION in English
26 Feb 93 p B1*

[Text] A Commerce Ministry official suggested that copyright holders of Western music recordings should lower tape cassette prices by 25 per cent to encourage the public to buy bona fide tapes.

Phiphat Intharasap, director-general of the Intellectual Property Department, made the statement during a tripartite working group meeting on pirated tapes on Feb 24.

According to a senior ministry official Phiphat said that if prices remained unchanged it would be difficult to encourage the public to buy legal tapes.

The proposed cut represents another attempt by representatives of the International Federation of the Phonographic Industry (IFPI), the Commerce Ministry and the Police Department to eliminate Thailand's music piracy problem.

The Thai government has come under a strong pressure from the US and European Community officials, who have both threatened to take retaliatory action against the Kingdom's exports if the Thai government fails to improve its attitude to the protection of foreign intellectual property rights.

Suchit Aphiradi, the Commerce Ministry's inspector general, said if copyright holders decided to cut prices the retail price for a cassette would be around Bt [baht] 60-70 compared with the current price of Bt80 to Bt100.

Pirated tapes sell at Bt20-35.

The huge price differential has been a major factor in popularising illegal cassettes.

Peter Gun, a Sony Music representative in Thailand, said that the government should also consider cutting tax for copyright holders, enabling them to sell tapes at even lower prices.

The IFPI will consider the price cutting proposal and the result will be announced in the next two weeks.

Registration of Cambodian Voters Reported

BK2602100393 Bangkok Voice of Free Asia in Thai 1030 GMT 25 Feb 93

[Text] As the UN Transitional Authority of Cambodia [UNTAC] fixed 31 January as the last day for registration of Cambodian voters, Thailand, between 17 January and 1 February, arranged for facilities for the UNTAC officials working on registration of the about 40,000 Cambodian refugees and illegal immigrants at Site 2 and Khao I Dang camps in Ta Phraya District, Prachin Buri Province, under supervision of the United Nations High Commissioner for Refugees [UNHCR]. As a result, there are a total of 36,151 eligible voters. At Site 2, 33,927 of the total 89,911 Cambodian immigrants registered for the election. At Khao I Dang, 2,224 of the total 6,613 immigrants registered for the election. Cambodian immigrants at Site 2 were enthusiastic about the election and cooperated with UNTAC and UNHCR authorities. Meanwhile, a number at Khao I Dang refused to register for the election because they still cherished the hope of being resettled in third countries.

On 9 February, officials of the U.S., French, Canadian, and Australian embassies in Thailand held a briefing during which Cambodian immigrants at Khao I Dang were informed about their accommodation at the center while awaiting their repatriation to Cambodia. The

embassy officials confirmed to the Cambodian immigrants that they would have to return to their homeland under the UNHCR repatriation program and that none of them would be eligible for resettlement in third countries. As for the refugees who are being processed and are now waiting for authorization to be resettled in third countries, the four embassies will forward their documents to the embassies in Phnom Penh, and the refugees who still desire to be resettled in third countries can pursue their objective with those respective embassies in Phnom Penh once they are back in Cambodia.

Until now, the repatriation of Cambodian immigrants has been carried out smoothly and successfully. From the start of the repatriation on 30 March 1992 until 24 March 1993, a total of 305,119 refugees has been repatriated, together with another number of 18,001 who volunteered back home outside the UN repatriation program. As a result, there are still 49,620 refugees left to be repatriated—2,659 at Khao I Dang, and 46,961 at Site 2.

The Thai Government has already closed down five refugee camps, and plans to close the two remaining camps this month—with Khao I Dang to be closed on 3 March, and Site 2 on 30 March. The last and final batch of refugees will be sent back to Cambodia by the end of March. Site 2 used to be the largest Cambodian refugee camp.

Army To Purchase More Italian Spada Missiles

BK2602023593 Bangkok THE NATION in English 26 Feb 93 p A2

[Text] The Army plans to buy more Spada missiles even though the existing missile radar system malfunctioned after its delivery about three years ago.

Lieutenant General Samphao Chusi, commander of the Army's Anti-aircraft Artillery Division, said yesterday the Army plans to buy a total of 24 Spada missiles. He did not name the cost.

His remark came after Alenia Italia Co, the missile supplier, agreed to repair the missiles' radar system for free.

The Italian company, which sold the missiles to the Army in 1986, had earlier demanded that Thailand bear all repair costs, estimated to be around Bt [baht] 50 million.

Samphao said yesterday the Army would not strike anymore missile deals with the firm if it refused to repair the radar system.

"Spada missiles are still necessary because the existing number is inadequate," Samphao said. "The Army requires the missiles to protect Bangkok in particular."

The Spada missiles were placed under the direct supervision of the Army's Anti-aircraft Artillery Division which has incorporated them in the country's air defence system.

The missile purchase was approved in 1986 by Air Chief Marshal Phaniang Kantarat, defence minister in the Gen Prem administration, while the purchasing contract was signed in the same year by Gen Chawalit Yongchaiyut, who was then army chief.

Spokesman Defends Decision on Nobel Laureates

BK2602022193 Bangkok *THE NATION* in English 26 Feb 93 pp A1,2

[Text] Thailand allowed a group of Nobel Peace Prize winners to campaign on its soil last week against human rights abuses in Burma because it did not affect Rangoon's internal affairs, Foreign Ministry spokesman Sakthip Krairoek said yesterday.

Sakthip said Burma should accord fair treatment to Bangkok over the visit of the Nobel group to Thailand.

Meanwhile, Deputy Foreign Minister Surin Phitsuwan said Thailand will not respond immediately to Rangoon's accusation that Thailand had interfered in its domestic affairs.

Sakthip and Surin were commenting on an article published in all state-owned Burmese newspapers on Wednesday that accused Thailand of meddling in its internal political affairs.

Sakthip said Thailand permitted the Nobel group to campaign for the immediate release of Burmese pro-democracy leader Aung San Suu Kyi on the grounds that the group consisted of highly-respected figures.

"And this government which allowed them here is an elected body which strongly supports the protection of basic human rights," he added.

The Rangoon article argued that: "Giving assistance, providing sanctuary and offering encouragement to such illegitimate organizations can only be considered as the grossest form of interference in the internal affairs of another country."

It also charged that Thailand's handling of the Nobel laureates' visit violated practical principles of relations between immediate neighbours such as Thailand and Burma.

As of yesterday, the Foreign Ministry had not received any official note from Burma's military junta. Surin said on Wednesday that Burma's latest swipe at Thailand was "not unexpected," adding that it was understandable that Rangoon had to "let off some steam".

AFTA Import Dispute With Malaysia Viewed

BK2602011593 Bangkok *BANGKOK POST* in English 26 Feb 93 p 17

[Text] A Malaysian refusal to issue the appropriate temporary certificates of origin is preventing Thai companies from enjoying cheaper imports under the ASEAN Free Trade Area (AFTA) programme that should have begun seven weeks ago.

The exact amount of trade involved is not known so far. But Thai Customs department officials say they have received numerous complaints from companies based both in Bangkok and in the provinces.

One Thai manufacturer says his electrical goods assembly business at a Chachoengsao industrial estate is unable to import components from Malaysia under the lower AFTA duty rates that Thailand introduced on January 1.

The problem is caused by the delay among ASEAN countries in agreeing to a new form (Form D) that will identify whether products exported by these countries are eligible for AFTA rates. The new form will not be introduced until July, six months behind schedule.

In the meantime, ASEAN members have agreed to use Form C, normally used as a certificate of origin for products eligible for lower duty rates under ASEAN's existing Preferential Trading Arrangement. But the criteria for eligibility for AFTA and the Preferential Trading Arrangement are different, and Malaysian officials have apparently refused to amend Form C to meet AFTA's terms.

Under the AFTA agreement, product eligible for tariff reductions must have 40 percent of their value added in any number of ASEAN countries. This is a much more lenient qualification than for reductions under the older Preferential Trading Arrangement which require 50 percent of the value to be created in the ASEAN country exporting the product.

Thai customs officials say the AFTA Council of ASEAN ministers agreed that the old Form C should be used temporarily from February 15. Then by April a working group of officials from the six ASEAN countries should agree on a new Form D that would be used for products that qualify for AFTA concessions.

When Form D is issued in July, complaints should die down, the officials say.

They add that Thailand is already using Form C temporarily and notices of the arrangement have been made in the Royal Gazette. Three ministries—Foreign Affairs, Finance and Commerce—are working together on this, the officials say.

"Thailand and Malaysia have always had problems with imports from each other," one Customs Department official says. "This is probably the only pair of ASEAN members to have continual niggling disputes."

The official cites the case of a Malaysian objection to imports of Thai fish in plastic containers.

"We don't know what kind of information Malaysian officials receive after agreements have been made, but on the Thai side we have done the best we can by notifying the embassies of every country since December that we have postponed the issue of the new forms."

The first tariff cuts on January 1 were reductions of five percentage points on selected products, mainly those with higher original tariff rates. The agreement is to gradually reduce tariffs to 0-5 percent by the year 2008 in steps of five percentage points. For 15 product groups the cuts are to be made at a faster rate, reaching 0-5 percent in seven to 10 years.

In Thailand's case most AFTA-eligible products with tariffs above 30 percent have had the rate cut to 30 percent on January 1. But in Malaysia's case, the first AFTA cuts are not due to take place until the beginning of the Malaysian fiscal year in October.

Minimum Wage Increase Stirs Debate

*BK2602020993 Bangkok THE NATION in English
26 Feb 93 p A1*

[Text] The tripartite Wage Committee yesterday decided to raise the daily minimum wage in Bangkok and six other major provinces from Bt [baht] 115 to Bt125 beginning on April 1, an increase that still falls short of labour leaders' demands.

The Bt125 minimum wage was fixed for Bangkok, Samut Sakhon, Samut Prakan, Pathum Thani, Nakhon Pathom, Nonthaburi and Phuket, committee chairman Kitti Pathumkaeo said.

The panel also increased the minimum wage from Bt107 to Bt110 in Chon Buri, Sarabun, Nakhon Ratchasima, Ranong, Phangnga and Chiang Mai; and from Bt94 to Bt102 in the 60 remaining provinces.

The new wage figures must be endorsed by Interior Minister Gen Chawalit Yongchaiyut and published in the Royal Gazette to be effective, Kitti said.

The new rates would be in use for at least one year before any adjustment would be considered, he said.

Labour groups had demanded that the government increase the minimum wage for private workers in Bangkok and some other major provinces to Bt145 daily, the same amount paid to state enterprise employees.

A workers' representative on the Wage Committee, Phichai Chuaman, said after the panel's meeting yesterday his side wanted the minimum wage in Bangkok raised to at least Bt130 a day, but representatives of the government and employers said Bt125 was the most appropriate figure.

"Workers are not happy with the new wage," Phichai said.

Kitti said the committee filed the new wage figures by considering economic growth and the higher cost of living projected for 1993.

In a related development, a major labour group, the National Labour Council (NLC), said yesterday it would continue to push for the increase in the minimum wage from Bt115 to Bt145.

NLC president Chin Thapphli said the government should adjust the minimum wage every year without having to wait for workers to demand an increase.

Vietnam

Deputy Premier Receives UNDP Officials

*BK2502093393 Hanoi Vietnam Television Network in
Vietnamese 1200 GMT 23 Feb 93*

[Text] In the 22 February afternoon, Deputy Prime Minister Phan Van Khai received Mr. Abdul Osman, director of UNDP [United Nations Development Program] and other UNDP delegation members, who were on a working visit to our country.

Present at the reception, on the Vietnamese side, were Nguyen Duy Gia, director of the National Administration Institute and To Tu Ha, deputy chief of the Government Organization and Personnel Committee. On the other side, the UNDP coordinator in Vietnam; Roy Morey, UNDP resident representative in Hanoi; and representatives of other international organizations took part at the reception.

Mr. Abdul Osman thanked the Vietnamese Government for creating favorable conditions for the delegation during its working visits with related organs. He also briefed the deputy prime minister on the program and result of the preparatory work for the public administration reform project. The project is a plan for Vietnam to conduct research, provide training for administration cadres, as well as reform its administration mechanism to help Vietnam meet its current socioeconomic situation.

Deputy Prime Minister Phan Van Khai welcomed the assistance of the UN organizations to Vietnam in the fields of economy, science, technology, and society, especially in management science. He expressed his hope that the assistance will increasingly expand to help Vietnam in the construction of a nation of prosperity, happiness, and development.

Attends Administration Reform Seminar

*BK2502103793 Hanoi Voice of Vietnam Network in
Vietnamese 1100 GMT 24 Feb 93*

[Text] This morning in Hanoi, the National Administration Institute coordinated with the United Nations Development Program to organize a seminar on projects to support public administration reform in Vietnam. The seminar focused its attention on issues relating to the reform of the national administration, structure and

organizations of the government, planning and implementation of government reform, accounting and budget management of central and local levels, and relationship between economic and administration reform.

Addressing the seminar, Deputy Prime Minister Phan Van Khai emphasized that at present the administration reform is very appropriate and it is meeting the requirement of the Vietnamese situation. He also suggested some key issues which should be discussed at the seminar to improve the Vietnam's administration reform work.

Amendments to Law on Criminal Procedures Published

*BK2502145593 Hanoi NHAN DAN in Vietnamese 4
Jan 93 p 2*

["Law Amending or Supplementing a Number of Articles in the Law on Criminal Procedures", passed by the Ninth National Assembly at its second session on 22 December 1992]

[Text]—Pursuant to Articles 103 and 106 of the Constitution of the Socialist Republic of Vietnam [SRV];

—Pursuant to Article 78 of the Law on National Assembly Organization;

On 2 January 1993, President Le Duc Anh signed a decree promulgating the following Law on Amending or Supplementing a Number of Articles in the Law on Criminal Procedures passed by the Ninth SRV National Assembly at its second session on 22 December 1992:

Pursuant to Article 84 of the 1992 SRV Constitution;

This law amends or supplements a number of articles in the Law on Criminal Procedures which was passed by the SRV National Assembly on 28 June 1988 and which was subsequently amended or supplemented on 30 June 1990.

Article 1: Amend or supplement a number of articles in the Law on Criminal Procedures as follows:

1. Item 4 of Article 43 on witnesses shall be amended or supplemented as follows:

"4. A witness who has been summoned by an investigating agency, an organ of control, or a court but who deliberately fails to appear without a legitimate reason may be subpoenaed under escort summon.

"A witness who refuses to make statements or avoids giving testimony without a legitimate reason must bear responsibility in accordance with Article 242 of the Penal Code; and if he/she gives false testimony, he/she must bear responsibility in accordance with Article 241 of the Penal Code."

2. Paragraph 2 under Item 1 of Article 121 on inventory of assets shall be amended as follows:

"The authorities stipulated under Item 1, Article 62 of this code have the right to issue an order for inventory of assets. The inventory order of persons stipulated under Point D, Item 1, Article 62 of this law be notified at once to the organ of control at the same level prior to execution."

3. The following paragraph shall be added to Article 215a on the decision of a court of appeal to adopt, change, or cancel measures of restraint:

"Except for those cases defined under Article 231 of this law, if the accused is subjected to a prison sentence instead of temporary custody, the court shall issue a decision on his/her immediate detention."

4. The following item shall be added to Article 222 on the cancellation of a sentence by a court at the preliminary trial level for re-investigation or retrial purposes:

"4. In case a preliminary trial level court sentence is cancelled for re-investigation or retrial purposes but the period of temporary detention expires and there are grounds to believe that it is necessary to extend the period of detention, the court of appeal shall issue an order to extend the period of detention to give the investigating agency or the preliminary trial level court time to initiate new legal proceedings against the accused.

"Within a period of 15 days from the date the cancellation of a preliminary trial level court sentence takes effect, the case file must be transferred to an investigating agency or a court of appeal to handle in accordance with general procedures."

5. The following paragraph shall be added to the last part of Article 256 on the cancellation of a court sentence or court decision for reinvestigation or retrial purposes:

"If a court sentence is cancelled or if a court decision is appealed or protested so reinvestigation or retrial may be made and if there are grounds to believe that it is necessary to extend the period of temporary detention, the Adjudicating Panel must issue an order to extend the period of temporary detention to give the organ of control or the court of appeal time to initiate new legal proceedings against the accused."

Article 2. The following new articles shall be added to the Law on Criminal Procedures:

1. Article 143a. Return of a case file for supplementary investigation.

The organ of control shall issue a decision to return a case file to an investigating agency for supplementary investigation if results of the examination of a court case indicate that:

a. There is a lack of additional important evidence that the organ of control cannot gather by itself.

b. There are grounds for initiating legal proceedings against the accused for another crime or there are other accomplices.

c. There are serious violations against legal proceedings.

Details of problems needing supplementary investigation must be clearly stated in the request for supplementary investigation.

2. Article 143b. Suspension or temporary suspension of a case.

a. The organ of control shall issue a decision to suspend a case if there are grounds to believe that such a decision is based on any of the provisions defined under Article 89 of this law and/or under Article 16, Item 1 of Article 48, and Item 59 of the Penal Code.

b. The organ of control shall issue a decision to temporarily suspend a case under the following circumstances:

- When an accused is mentally ill or has some other dangerous illness certified by a forensic evaluation board;

- When an accused goes into hiding and his/her whereabouts are unknown. The organ of control must, in this case, request the investigating agency to track him/her down.

- When a case has many accused and the reason for suspension or temporary suspension of the case is not related to all of them, a suspension or temporary suspension may be made for one individual accused.

3. Article 160a. The jury of a court at the preliminary trial level which also exercises final jurisdiction shall be comprised of three judges and two people's jurors.

The judges shall preside over, direct, and keep the order of the court proceedings.

Article 3. The Government, the Supreme People's Court, and the Supreme People's Organ of Control shall, within their functions, provide guidance over the implementation of this law.

This law was passed by the Ninth National Assembly at its second session on 22 December 1992.

Signed: National Assembly Chairman Nong Duc Manh.

Amendments to Law on Criminal Code Published

BK2602063193 Hanoi NHAN DAN in Vietnamese
4 Jan 93 p 2

[Law amending and supplementing a number of articles in the criminal code passed by the Ninth National Assembly at its second session on 22 December 1992]

[Text]—Pursuant to Articles 103 and 106 of the 1992 Constitution of the Socialist Republic of Vietnam;

—Pursuant to Article 78 of the Law on National Assembly Organization;

On 2 January, President Le Duc Anh signed a decree promulgating the following Law on Amending and Supplementing a Number of Articles in the Criminal Code

passed by the Ninth SRV National Assembly at its second session on 22 December 1992:

Law Amending and Supplementing a Number of Articles in the Criminal Code

Pursuant to Article 84 of the 1992 Constitution of the Socialist Republic of Vietnam;

This law amends and supplements a number of articles in the Criminal Code which was passed by the SRV National Assembly on 27 June 1985 and was subsequently amended and supplemented on 28 December 1989 and 12 August 1991.

Article 1: Amend and supplement a number of articles in the generalities of the criminal code as follows:

1. Point 1 of Article 23 on fine shall be amended as follows:

"A fine is applied to persons who commit crimes in the nature of personal gains or corruption and crimes in which money is the means by which the crime is committed or in other cases stipulated by the law."

2. Article 33 on confiscation of materials and money directly related to a crime shall be amended as follows:

"Article 33: Confiscation of materials and money directly related to a crime:

"1. The court shall decide to confiscate and deposit in state funds:

"a. Materials and money used by the criminal in the commission of the crime;

"b. Materials and money acquired by the criminal through the commission of the crime or as a result of buying, selling or trading these items;

"c. Types of materials and currency, the storage, use and circulation of which are prohibited by the state.

"2. As for those materials and money that are under socialist ownership or are the property of another person that are illegally taken or used by the criminal shall not be confiscated but returned to their owner or lawful manager.

"3. The court may decide to confiscate and deposit in state funds those materials and money that are the property of another person if this person is found guilty of letting the criminal use them for committing a crime."

3. Point 1 of Article 44 on suspended sentence:

"1. When handing down a sentence not exceeding three years, the court, on the basis of the character of the person who committed the crime and mitigating circumstances and if it deems it unnecessary to enforce the prison sentence, may impose a suspended sentence and set parole from one to five years."

Article 2: Amend and supplement a number of articles in the the Criminal Code—part dealing with crimes, as follows:

1. Article 97: The crime of smuggling or illegally transporting goods or currency across the border shall be amended and supplemented as follows:

"Article 97: The crime of smuggling or illegally transporting goods or currency across the border.

"1. The penalty for anyone who illegally trades in or transports across the border merchandise, Vietnamese currency, foreign currency, precious materials, gemstones or items from historical or cultural ruins is from one year to seven years in prison.

"2. The penalty for this crime in one of the following cases is from five to 12 years in prison:

"a. If it is organized or of professional character.

"b. If the quantity or value of contraband is large or if large illegal gains are involved;

"c. If committed through the taking advantage of a war;

"d. If committed through the malfeasance of offices or through the abuse of the name of a state agency or social organization;

"e. If it is committed many times or is a dangerous repeat offense.

"3. The penalty for this crime in especially serious cases is from 10 to 20 years in prison, life in prison, or the death penalty."

2. Point 3 of Article 100 on supplemental penalties shall be amended as follows:

"3. Anyone who commits one of the crimes stipulated in Articles 90 and 91 in cases in which the penalty is other than a fine may also be fined in the amount stipulated for each crime.

"Anyone who commits one of the crimes stipulated in Articles 88, 95, 96, 98 and 99 may be fined from 300,000 dong to 3 million dong. If one of the crimes stipulated in Articles 96a and 97 is committed, the criminal may be fined 10 times the value of the contraband involved."

3. Item 2 of Article 134 on the crime of taking possession of socialist property through fraud is supplemented as follows:

"2. The penalty for this crime in one of the following cases is from three to 12 years in prison:

"a) if it is organized or committed in a professional fashion;

"b) if guileful or dangerous methods are employed;

"c) if the value of the property taken is large;

"d) if it is a dangerous repeat offense; or

"e) if it is committed through the abuse of a person's public position or authority, or by using the name of state agencies or social organizations."

4. Item 2 of Article 135 on the crime of taking possession of socialist property through abuse of trust is supplemented as follows:

"2. The penalty for this crime in one of the following cases is from three to 12 years in prison:

"a) if guileful or dangerous methods are employed;

"b) if the value of the property taken is large;

"c) if it is a dangerous repeat offense; or

"d) if it is committed through the abuse of a person's public position or authority, or by using the name of state agencies or social organizations."

5. Article 139 on the crime of causing serious damage to socialist property through negligence is revised as follows:

"Article 139: The crime of causing serious damage to socialist property through negligence.

"1. The penalty for anyone who serves a direct function in the management of socialist property but who, due to negligence, allows socialist property to be lost, damaged or wasted, thus causing serious damage to socialist property, is from one to seven years in prison.

"2. The penalty for this crime in cases that have especially serious consequences is from five to 15 years."

6. Item 1 of Article 142 on supplemental penalties is revised and supplemented as follows:

"1. Anyone who commits one of the crimes stipulated in Article 133; item 2 (e) of Article 134; item 2 (d) of Article 135; item 2 of Article 137; and Article 139 may be prohibited from holding a position that involves the management of socialist property for a period from two to five years."

7. Item 1 of Article 163 on supplemental penalties is revised as follows:

"1. Anyone who commits the crime stipulated in Article 156 may be prohibited from holding certain public positions for a period of two to five years."

8. Article 167 on the crimes of making or trading in fake goods is revised and supplemented as follows:

"Article 167: The crime of making or trading in fake goods.

"1. The penalty for anyone who makes or trades in fake goods is from one to seven years in prison.

"2. The penalty for this crime in one of the following cases is from five to 15 years:

"a) if the fake goods are grain, food products, medicine, construction materials, fertilizer, and insecticide;

"b) if it is organized or committed in a professional fashion;

"c) if it is committed through the abuse of a person's public position or authority, or by using the name of state agencies or social organizations;

"d) if the quantity of fake goods is large or if the resulting illegitimate profit is large; or

"e) if it is a dangerous repeat offense.

"3. The penalty for this crime in especially serious cases is from 10 to 20 years in prison, life in prison or the death penalty."

9. Article 169 on the crime of tax evasion is revised as follows:

"Article 169: The crime of tax evasion.

"1. The penalty for anyone, who evades a large amount of taxes or continues to evade taxes after having been the subject of administrative action, is from six months to five years.

"2. The penalty for anyone who evades a very large amount of taxes—who receives the court verdict but his parole has not been expired on the crime of tax evasion or one of the crimes stipulated in articles 96(a), 97, 165, 166, 167, 168, 173 and 183, or in especially serious cases—is from three to 12 years in prison."

10. Article 174 on the crime of intentionally violating state economic management regulations which bring about serious consequences is revised and supplemented as follows:

"Article 174: The crime of intentionally violating state economic management regulations which bring about serious consequences.

"1. The penalty for anyone who uses his public position or authority to intentionally violate the state economic management regulations which bring about serious consequences, is from one to seven years in prison.

"2. The penalty for this crime in one of the following cases is from five to 12 years in prison:

"a) if it is committed for commercial or personal gain;

"b) if it is organized; or

"c) if it is committed through wicked schemes."

"3. The penalty for this crime in especially serious cases is from 10 to 20 years in prison."

11. Item 3 of Article 185 on supplemental penalties is revised and supplemented as follows:

"3. Anyone who commits one of the crimes stipulated in Articles 164-169 and Articles 172-174 may also have part or all of his property confiscated."

12. Article 220 on the crime of causing serious consequences through negligence shall be amended as follows:

"Article 220: The crime of causing serious consequences through negligence.

"1. The penalty for anyone who, through negligence, fails to carry out or incorrectly carries out his assigned duty, thereby causing serious consequences, if not governed by the cases stipulated in Articles 139, 193, and 237, is from six to 12 years in prison.

"2. The penalty for anyone who commits a crime in an exceptionally serious case is from three to 12 years in prison."

13. Article 221 on the crime of abusing one's public position or authority or exceeding one's authority in the performance of one's public function shall be amended and supplemented as follows:

"Article 221: The crime of abusing one's public position or authority or exceeding one's authority in the performance of one's public function:

"1. The penalty for anyone who, for personal gain or for other personal motives, abuses his public position or authority or exceeds his authority and acts in a manner contrary to his public function, thereby causing harm to the interests of the state and of society or to the legitimate interests of citizens, if not governed by those cases stipulated in Articles 156, 238, and 239, is from one to seven years in prison.

"2. The penalty for a crime committed under one of the following circumstances is from five to 12 years in prison:

"a. if it is organized;

"b. if it is a repeated offense;

"c. if it causes serious consequences.

"3. The penalty for a crime that causes exceptionally serious consequences is from 10 to 20 years in prison."

14. Article 224 on the crime of work-related forgery shall be amended and supplemented as follows:

"Article 224: The crime of work-related forgery

"1. The penalty for anyone who, in the performance of his task, alters or falsifies, for personal gain or other personal motives, the contents of papers or other documents, makes or issues counterfeit papers, or falsifies the signature of a person with position and authority is from one to seven years in prison.

"2. The penalty for this crime committed under one of the following circumstances is from five to 12 years in prison:

"a. if it is committed by someone who is responsible for drawing up or issuing public papers and documents;

"b. if it results in serious consequences;

"c. if it is repeatedly committed or is an organized crime.

"3. The penalty for this crime committed under exceptionally serious circumstances is from 10 to 20 years in prison."

15. Article 226 on the crime of bribe-taking shall be amended and supplemented as follows:

"Article 226: The crime of bribe-taking

"1. The penalty for anyone who abuses his public position or authority to take or at some point in the future take, either directly or through an intermediary, money

or material kickbacks of whatever form to perform a job that is part of his responsibility or to not do something that must be done for the benefit of or as requested by the bribe-giver is from one to seven years in prison.

"2. The penalty for this crime committed under one of the following circumstances is from five to 15 years in prison:

- "a. if it is organized;
- "b. if extortion, guile, or crafty tricks are employed;
- "c. if the value of the bribe is large;
- "d. if serious consequences result;
- "e. if it is repeatedly committed;
- "f. if there is a malfeasance in office involved;

"3. The penalty for this crime committed under exceptionally serious circumstances is death."

16. Point 2 of Article 227 on the crime of offering a bribe and the crime of acting as an intermediary in bribe giving shall be supplemented as follows:

"2. The penalty for the crime committed under one of the following circumstances is from three to 15 years in prison:

- "a. if it is organized;
- "b. if guile is employed;
- "c. if the value of the bribe is large;
- "d. if serious consequences result;
- "e. if the crime is repeatedly committed;
- "f. if public funds are used for bribing purposes."

17. Article 246 on the crime of concealing a crime shall be amended and supplemented as follows:

1. Paragraph 7 of point 1 shall be amended and supplemented as follows:

"Article 165, points 2 and 3 (the crime of speculation); Article 166, points 2 and 3 (the crime of trading in contraband); Article 167, points 2 and 3 (the crime of making or trading in fake goods); Article 172, points 2 and 3 (the crimes of misappropriating food stamps and coupons and making or circulating fake food stamps, coupons, or papers used in distribution); Article 174, points 2 and 3 (the crime of intentionally violating state economic management principles, policies, and regulations and causing serious consequences); Article 221, point 2 (the crime of abusing one's public position or authority or exceeding one's authority in the performance of one's public function); Article 226, points 2 and 3 (the crime of accepting a bribe); Article 227, points 2 and 3 (the crime of offering a bribe and the crime of acting as an intermediary in a bribe giving)."

2. Point 2 shall be amended as follows:

"2. The penalty for a crime committed in cases where one abuses one's public position and authority is from three to 10 years in prison."

18. Paragraph 6 of Point 1, Article 247 on the crime of failing to report knowledge of a crime shall be amended and supplemented as follows:

"Article 165, points 2 and 3 (the crime of speculation); Article 172, points 2 and 3 (the crime of misappropriating food stamps and coupons and the crime of making and circulating fake food stamps or coupons and papers used in distribution); Article 174, points 2 and 3 (the crime of intentionally violating state economic management principles and causing serious consequences); Article 221, point 2 (the crime of abusing one's position and authority or exceeding one's authority in the performance of one's public function.); Article 226, points 2 and 3 (the crime of accepting a bribe); Article 227, points 2 and 3 (the crime of offering a bribe and the crime of acting as an intermediary in a bribe giving)."

Article 3: The government, the supreme people's court, and the supreme people's organ of control shall, within its capacity, provide guidance for the enforcement of this law.

[Signed] Nong Duc Manh, chairman of the National Assembly

Corporation Projects Higher 1993 Rice Exports

BK2602094793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 24 Feb 93

[Text] In the past nearly two months, General Grain Corporation No. 1 of the Ministry of Agriculture and Food Industry exported 35,000 metric tons of high-quality rice.

Despite the short time, General Grain Corporation No. 1 has exported more than two-thirds of the rice it exported in 1992.

So far, the corporation has signed contracts to export 100,000 metric tons of rice to several countries this year. Of this, 35,000 metric tons have already been exported, while the remainder will be shipped in March or April.

Party General Secretary Receives PRC Envoy

BK2502155593 Hanoi VNA in English 1400 GMT 25 Feb 93

[Text] Hanoi VNA Feb 25—General secretary of the Communist Party of Vietnam Central Committee Do Muoi received here this afternoon Chinese Ambassador Zhang Dewei who paid him a farewell visit at the end of his term of office in Vietnam.

The Vietnamese party leader congratulated the Chinese ambassador on his successful work in Vietnam, thus actively contributing to restoring and strengthening the friendship and cooperation between the two parties and countries.

General Secretary Do Muoi expressed his wish for the development of the friendship and cooperation between the two countries for the interests of the two peoples and of the region and other parts of the world.

He took this opportunity to convey his best wishes to Party General Secretary Jiang Zemin, President Yang

Shangkun, Premier Li Peng, and other Chinese party and state leaders. He also wished the Chinese people success in building a prosperous country.

For his part, Ambassador Zhang expressed his thanks to Do Muoi for his fine sentiments and the warm reception.

Le Duc Anh Congratulates ROK President

BK2502153493 Hanoi VNA in English 1337 GMT 25 Feb 93

[Text] Hanoi VNA February 25—President Le Duc Anh today congratulated Kim Yong Sam on his assumption of the post of the president of the Republic of Korea (ROK).

The Vietnamese president expressed his wish for the constant development of the relations between Vietnam and the ROK for the interests of the two peoples and for peace, stability and development in Asia and the Pacific and the rest of the world.

Tuyen Quang Province Boosts Radio, TV Coverage

BK2502052693 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Feb 93

[Text] At present, Tuyen Quang Province's radio and television broadcasts daily in the three languages of Vietnamese, Tay, and Dao. In order to broaden coverage, the province has increased the power of radio and television transmitters from 150 watts to 200 watts and has put into service three television stations in the Districts of Chiem Hoa, Ham Yen, and Na Hang to

ensure 100 percent of the local districts and villages are covered by television signals.

Vu Quang Attends Seminar on Youth-Related Work

BK2602092193 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Feb 93

[Text] A scientific seminar on the youth situation and solution under code-number KX-0409 was held in Hanoi on 22 February. Attending were Comrade Vu Quang, head of the government propaganda and education committee, and representatives from responsible agencies.

Youths account for 35 percent of the population and 45 percent of the main work force of society. However, due to economic difficulties, they are facing the problem of unemployment and suffering a lack of the necessary means to further their education. Meanwhile, their efforts to develop their abilities are subject to restrictions. These are issues of concern in youth-related work.

To grasp the great significance of youth-related work in social life as affirmed in the Party Central Committee's fourth plenum resolution, in their statements at the seminar, many professors, holders of Ph.D. and M.A. degrees, and youth researchers pointed out various aspects of the youth situation and movement in terms of economic life, daily work, education, ability, culture, lifestyle, and social and political requirements.

All this was aimed at seeking the most rational solutions in the renovation process of the party and country and, on that basis, enabling youths to engage in all fields of activity to make society ever more civilized, prosperous, and powerful.

